



Daily Report

LAST ISSUE

**THE CENTRAL EURASIA DAILY REPORT WILL NOT BE AVAILABLE
AS A PAPER BOOK AFTER 13 SEPTEMBER**

**TO ARRANGE FOR ELECTRONIC RECEIPT, PLEASE SEE INSIDE
FOR INFORMATION ON VARIOUS OPTIONS**

LAST ISSUE

Central Eurasia

**FBIS-SOV-96-168
Wednesday
26 August 1996**

**This report may contain copyrighted material. Copying and dissemination
is prohibited without permission of the copyright owners.**

Dear Customer:

Responding to our many customers' requests, NTIS is offering FBIS publications electronically. Due to resource limitations, hardcopy production of FBIS publications will be phased out during 1996. Hardcopy reports which have already been discontinued include *Arms Control & Proliferation Issues*, *Environment & World Health*, *Narcotics*, and *Terrorism*.

Hardcopy publication of the regional DAILY REPORTS will cease as follows:

1 August	<i>China, Latin America</i>
19 August	<i>Near East and South Asia, West Europe, Sub-Saharan Africa, West Europe Economic Review</i>
2 September	<i>East Asia, East Europe, East Europe Economic Review</i>
16 September	<i>Central Eurasia, Central Eurasia Military Affairs, Central Eurasia Economic Review</i>

FBIS' goal is to cease publication of all hardcopy reports by 31 December 1996 except for S&T PERSPECTIVES, S&T CENTRAL EURASIA, S&T CHINA, S&T KOREA, S&T EUROPE, and S&T JAPAN. The S&T reports will continue to be published as hardcopy until the graphics they contain can be disseminated on-line.

FBIS products are offered electronically through the National Technical Information Service's (NTIS) "World News Connection" (WNC). This is a new on-line subscription service accessible through the World Wide Web. The Web address is <http://wnc.fedworld.gov>. Please see the next page for a subscription form or call NTIS Fax Direct at 703-487-4140 and enter product code 8645 to receive more information.



World News Connection™

A Foreign News Alert Service
from
the U.S. Government

World News Connection - WNC1.....\$ 21

7 Day - Introductory Offer

Unlimited interactive searching

[no profiles]

Order number SUB-9856BDQ

World News Connection - WNC2.....\$ 50

Monthly

Unlimited interactive searching

[no profiles]

Order number PB95-985700BDQ

World News Connection - WNC3.....\$ 75

Monthly

Unlimited interactive searching

[1 profile]

Order number PB95-985800BDQ

World News Connection - WNC4.....\$100

Monthly

Unlimited interactive searching

[up to 5 profiles]

Order number PB95-985900BDQ

(Prices are subject to change)

User Name (Please Print or Type)

Internet E-mail Address (Required)

Order Number

Price

1) _____

2) _____

(Continue on a blank sheet if more space is required)

Deposit Account Number (for NTIS account customers only): _____

Customer Master Number (if known): _____ Date: _____

Contact Name: _____ Organization: _____

Street Address: _____ City: _____ State: _____ Zip: _____

Province/Territory: _____ Country: _____

Foreign Postal Code: _____

Internet E-mail Address (Organization contact person): _____

Telephone Number: () _____ Fax Number: () _____

Credit Card Number: _____

Credit Card Expiration Date: _____

Card Type (Visa, Master Card, or American Express): _____

Cardholder's Name (as printed on the credit card): _____

Cardholder's Signature (required to validate all orders): _____

(Please fax this form back to NTIS at 703-321-8547. Fax service is available 24 hours a day, 7 days a week.
To verify receipt of your fax, call (703) 487-4679 between 7:00am - 5:00pm, Monday - Friday, Eastern Time.)

Daily Report Central Eurasia

FBIS-SOV-96-168

CONTENTS

28 August 1996

NOTICE: An * indicates material not previously disseminated in electronic form.

INTERREGIONAL AFFAIRS

CIS: ITAR-TASS Carries Press Review for 28 Aug 1

RUSSIA INTERNATIONAL AFFAIRS

Russia: Diplomat Holds Talks With Canadian, U.S. Officials [ITAR-TASS] 2
 Russia: Moscow Radio Comments on Xinjiang Separatist Movement [Moscow International] 2
 Russia: Defense Ministry's Kokoshin Firmly Against NATO Expansion [NEZAVISIMAYA GAZETA 27 Aug] 3
 Russia: Bahrain Embassy Incident 'Unlikely' To Be Chechen-Inspired [IZVESTIYA 28 Aug] 3
 Russia: Interior Minister, European Envoy Discuss Chechnya Settlement [INTERFAX] 4
 Russia: Chernomyrdin, Ukraine's Lazarenko Praise Moscow Talks [INTERFAX] 4
 Russia: Navy Commanders Agree on Final Black Sea Fleet Division [TRUD-UKRAINA 27 Aug] ... 5
 Russia: Economic Cooperation Discussed With Belarusian Minister [Minsk Radio] 5
 Russia: 'Mutual Interest' With Moldova Seen as Basis for Ties [ROSSIYSKIYE VESTI 27 Aug] 5
 Russia: Moscow Signs Nuclear Safety Agreement With Armenia [NEZAVISIMAYA GAZETA 28 Aug] 6
 Russia: UN Envoy Reports on Georgian-Abkhazian Conflict [ITAR-TASS] 6
 Russia: Russia Seen as Unwelcome in Baltic Power Grid Plan [IZVESTIYA 24 Aug] 7

RUSSIA NATIONAL AFFAIRS

Political Issues

Russia: Yeltsin's Office Orders Lebed To Submit Chechnya Peace Plan [INTERFAX] 8
 Russia: Political Accord With Chechnya Under Yeltsin Scrutiny [ITAR-TASS] 8
 Russia: Lebed Spokesman on Yeltsin Consideration of Chechnya Plan [ITAR-TASS] 8
 Russia: Foreign Ministry Examines Chechen Settlement Documents [INTERFAX] 9
 Russia: Security Council Criticizes False Media Reports on Chechnya [INTERFAX] 9
 Russia: Lebed Said To Have Dirt on 'Influential Politicians' [ROSSIYSKIYE VESTI 28 Aug] .. 9
 Russia: Lebed's Actions in Chechnya Evidence of Presidential Aspirations [IZVESTIYA 28 Aug] 10
 Russia: Security Council Defends Lebed Against Zavgayev's Criticism [Moscow NTV] 11
 Russia: 'Urgent Matters' Cancel Primakov's Planned News Conference [ITAR-TASS] 11
 Russia: Pankov Appointed First Deputy Minister of Economy [Moscow Radio] 11
 Russia: 'Calm,' 'Phlegmatic' New SBP Head Kuznetsov Profiled [IZVESTIYA 28 Aug] 12

Military Issues

Russia: Yeltsin Signs Decree on Completing Construction of Ships [ITAR-TASS] 12
 Russia: New Presidential Representative Appointed to Arms Exporter [ARGUMENTY I FAKTY 27 Aug] 12
 Russia: Deputy Minister on Upgrading, Merging Defense Production [SEGODNYA 28 Aug] .. 13
 Russia: Shore Missile Forces Take Part in Northern Fleet Exercise [KRASNAYA ZVEZDA 27 Aug] 13

Federal Assembly

Russia: Duma Official Says Yeltsin Should Control Chechen Talks [INTERFAX] 14

Russia: Special Parliament Session Might Discuss Chechen Situation [INTERFAX]	14
---	----

Regional Affairs

Russia: Lebed Seeks Legal Advice on Proposed Peace Plan [MOSKOVSKIY KOMSOMOLETS 27 Aug]	14
Russia: Lebed's Peace Plan Renounces Force in Chechnya [INTERFAX]	15
Russia: Yeltsin Issues Instructions on Chechen Settlement Plan [INTERFAX]	16
Russia: Lebed's Peace Plan Elicits Mixed Reaction in Moscow [NEZAVISIMAYA GAZETA 28 Aug]	16
Russia: Lebed's Talks Augur Afghan-Style Chechen Independence [KOMMERSANT-DAILY 27 Aug]	17
Russia: Tikhomirov Reports Federal Troops Withdrawing From Chechnya [Moscow RTV]	17
Russia: Federal Troops Withdraw, Rebels Take Over Buildings in Grozny [Radio Rossii]	18
Russia: Chechen Rebels Said To Be Setting Up Alternative Power Structures [ITAR-TASS] ...	18
Russia: Commander Says 2,000 Federal Troops To Withdraw From Grozny [ITAR-TASS] ...	18
Russia: Lebed To Visit Chechnya by End of This Week [INTERFAX]	19
Russia: Correspondent Reports on Joint Patrolling in Grozny [Radio Rossii]	19
Russia: Chechen Fighters Withdraw From Grozny to Shatoy, Bamut [Radio Rossii]	19
Russia: Tikhomirov: Military To Take Back Seat to MVD in Chechnya [NEZAVISIMAYA GAZETA 28 Aug]	19
Russia: Tikhomirov, Maskhadov Meeting To Focus on Demilitarization [INTERFAX]	20
Russia: Chechens Hijack Truckload of Multiple Launcher Shells [ITAR-TASS]	21
Russia: Maskhadov Orders Return of Missiles Seized by Chechen Rebels [ITAR-TASS]	21
Russia: Background to Grozny Fighting Viewed [KRASNAYA ZVEZDA 28 Aug]	21

Economic Issues

Russia: Half-Year Combined Budget Deficit Totals 5.5 Percent of GDP [INTERFAX]	23
Russia: Banking Association Appeals to Chernomyrdin, Lebed [INTERFAX]	23
Russia: Money Supply Growth Exceeds Consumer Price Increases [INTERFAX]	24
Russia: Price of 'Victory Over Inflation' Viewed [FINANSOVYYE IZVESTIYA 27 Aug]	24
Russia: Livshits: Income Tax To Apply to All Monetary Incomes [ROSSIYSKAYA GAZETA 27 Aug]	25
Russia: Edict Aims To Share Tax Burden Fairly [ROSSIYSKIYE VESTI 27 Aug]	25
Russia: Lax Drafting of Tax Edict Criticized [IZVESTIYA 24 Aug]	26
Russia: Oil Production Slightly Down on 1995 [KOMSOMOLSKAYA PRAVDA 27 Aug]	27

UKRAINE

International Affairs

Ukraine: Udovenko Comments on Nuclear Cooperation With U.S. Senator [INTERFAX]	28
Ukraine: Lazarenko Returns to Kiev, Views Moscow Talks [INTELNEWS]	28
Ukraine: Accord With Russia To Maintain Defense Industry Links [UNIAN]	28

National Affairs

Ukraine: Crimean Speaker Describes Kidnapping, Escape [TRUD 27 Aug]	28
Ukraine: Crimean Speaker's Health 'Quite Serious' After Kidnapping [Moscow Radio]	29
Ukraine: Crimean Opposition Doubts Speaker's Abduction Story [INTELNEWS]	29
Ukraine: Opposition Factions Demand Speaker's Resignation [ITAR-TASS]	30
Ukraine: National Security Official Comments on Plans [KYIVSKA PRAVDA 23 Aug]	30

Economic Issues

Ukraine: Officials on IMF Stabilization Fund for Hryvnya [INTELNEWS]	32
--	----

Ukraine: Monetary Reform Commission States Implementation Measures (UNIAN)	32
--	----

WESTERN REGION

Belarus

Belarus: U.S. Asylum for Dissidents May Not Be Regarded as 'Friendly' (BELAPAN)	34
Belarus: Yeltsin Sends Lukashenka Message on Nuclear Security (INTERFAX)	34
Belarus: Lukashenka To Convene Congress of Belarusian People (Minsk Radio)	34
Belarus: Lukashenka on Holding Congress of Belarusian People (Minsk Radio)	34
Belarus: Lukashenka Rules Out Parliamentary By-Elections (Minsk Radio)	35
Belarus: Parliament Presidium Approves 3 Questions for Referendum (BELAPAN)	35
Belarus: Popular Front Leaders Urge West To Defend Human Rights (BELAPAN)	36
Belarus: Parties Form Organizing Committee, Plan Actions (BELAPAN)	36
Belarus: Results of 21 Aug Roundtable Detailed (ZVYAZDA 22 Aug)	37
Belarus: Lukashenka Issues Edicts on New Appointments (Minsk Radio)	38
Belarus: Lukashenka Says Government To Pay Wage Arrears in Oct (ITAR-TASS)	38
Belarus: Statistics Ministry Reports on Wage Arrears (Minsk Radio)	38
Belarus: Deputy Agriculture Minister Updates Harvest Results (BELAPAN)	38
Belarus: Foreign Economic Relations Deputy Minister Dismissed (Minsk TV)	39

Moldova

Moldova: Snegur Addresses Press Club, Favors Presidential Republic (INFOTAG)	39
Moldova: Snegur Comments on Fifth Anniversary of Independence (ITAR-TASS)	40
Moldova: Snegur Views Situation Five Years After Independence (INTERFAX)	40
Moldova: Lucinschi Accused of 'Counting on Russian Mercenaries' (INFOTAG)	42
Moldova: Foreign Trade Turnover Rises by 36.4 Percent Since 1995 (INFOTAG)	42

CENTRAL ASIA

Kyrgyzstan

Kyrgyzstan: Russian Deputy Commander on Border Patrol Operation (Bishkek Radio)	43
Kyrgyzstan: Party of Protection Holds Founding Congress (Bishkek Radio)	43

Tajikistan

Tajikistan: Premier Envisages Entry Into CIS Customs Union (Moscow ORT)	43
Tajikistan: Russian Guards Accuse Afghan Army of Helping Tajik Rebels (ITAR-TASS)	44
Tajikistan: Afghans Agree on Security Zone To Stop Tajik Rebels (KHOVAR)	44
Tajikistan: Tajik Rebels Deny Jihad Against Afghan Group (Voice of Free Tajikistan)	44
Tajikistan: Tajik Groups Dispute Numbers of Refugees in Afghanistan (Voice of Free Tajikistan)	44
Tajikistan: Military Situation Remains Complicated (Moscow ORT)	45
Tajikistan: Rebels Claim Control of Central Mountain Region (Voice of Free Tajikistan)	45
Tajikistan: Spokesman Says Federal Forces Control Part of Highway (INTERFAX)	45
Tajikistan: Prime Minister Meets Opposition Leader in Moscow (Moscow RTV)	46
Tajikistan: Rebel Comments on Democrat Yusuf's Comeback (Voice of Free Tajikistan)	46
Tajikistan: Opposition Agrees To Stay in Cease-Fire Commission (Voice of Free Tajikistan)	47

Tajikistan: President Names Leninabad, Badakhshan District Heads [Dushanbe Radio]	47
Turkmenistan	
Turkmenistan: President Names Deputy Prime Minister, Other Officials [Ashgabat Radio]	47
Uzbekistan	
Uzbekistan: Foreign Minister in India; Opposes CIS Military Bloc Idea [ITAR-TASS]	48
CAUCASUS	
Armenia	
Armenia: ICRC Registers 3 Azeri POW's, 6 Armenian 'Hostages' [ARAGIL ELECTRONIC NEWS BULLETIN]	49
Armenia: Two Iranians Killed in Yerevan [SNARK]	49
Armenia: Uniformed Man Linked to Murder of Two Iranians [Yerevan Radio]	49
Armenia: Seven Candidates Registered for Presidential Election [ITAR-TASS]	49
Azerbaijan	
Azerbaijan: Sabotage, Terrorist Schools Said Operating in Karabakh [TURAN]	50
Azerbaijan: Commission Explains Detention of 7 Armenians [TURAN]	50
Georgia	
Georgia: Shevardnadze Praises South Ossetia's Desire for Reintegration [Tbilisi TV]	51
Georgia: Shevardnadze Satisfied With South Ossetia Chief Meeting [ITAR-TASS]	51
Georgia: Russian Official Says Georgian-South Ossetian Meeting Positive [ITAR-TASS]	51
BALTIC STATES	
Estonia	
Estonia: Parliament Fails To Elect President in Final Attempt [Tallinn Radio]	53
Estonia: Assessment of Parliament's Failure To Elect President [INTERFAX]	53
Estonia: Meri Confirms Intent To Continue Running for Presidency [Tallinn TV]	53
Estonia: Parliamentarians on Future Electoral College Outcome [BNS]	53
Estonia: Foreign Minister Outlines Baltic Cooperation Plans [Tallinn Radio]	54
Latvia	
Latvia: Ministers Discuss NATO Expansion With U.S. Senator [Riga Radio]	54
Latvia: Foreign Minister Tells U.S. Senator Latvia Hopes To Join NATO [INTERFAX]	55
Latvia: Foreign Minister, U.S. Senator Discuss NATO Enlargement [Riga Radio]	55
Latvia: Ulmanis on Russian Problem in Latvia's NATO Entry [INTERFAX]	55
Latvia: Lithuanian Treatment of New Latvian Envoy Criticized [BNS]	55
Latvia: Birkavs Hails Meeting on European Integration for Baltics [Riga Radio]	56
Latvia: German Ships Participate in Minesweeping Exercises [Riga Radio]	56
Lithuania	
Lithuania: Official Skeptical of Solving Border Dispute Through Court [Vilnius Radio]	56
Lithuania: Ignalina Nuclear Power Plant Shut Due to Leakage [Vilnius Radio]	56

CIS: ITAR-TASS Carries Press Review for 28 Aug
LD2808054596 Moscow ITAR-TASS in English
0438 GMT 28 Aug 96

["Press Review" — ITAR-TASS headline]

[FBIS Transcribed Text] Moscow, August 28 (ITAR-TASS) — The press continues to centre on Chechnya. A statement by Doku Zavgayev who accused General Aleksandr Lebed of committing a state coup in Chechnya and a response to this statement by the press secretary of the Russian Security Council's office, who called these accusations "a downright lie", are splashed on the front page of the ROSSIYSKIYE VESTI newspaper.

Abortive attempts by Lebed to meet President Boris Yeltsin generate numerous rumours, conjectures and comments. "It is easier for Lebed to reach Chechnya than the president" is the title of an article by Viktor Sokirko in the KOMSOMOLSKAYA PRAVDA newspaper.

Natalya Zhelnorova emphasises in the ARGUMENTY I FAKTY weekly that the war will not end till a political decision on the status of Chechnya is taken. She believes that Lebed's moves to establish peace in Chechnya and withdraw troops indicate his consistency and determination.

However, she warns: he can be stopped by envious to prevent the Security Council secretary from picking up political points so quickly and gracefully.

Former British Prime Minister Margaret Thatcher who gave an exclusive interview to Vladislav Starkov, editor-in-chief of ARGUMENTY I FAKTY, shares her opinion on ways of Russia's pull-out of the Chechen crisis and her views on other problems of the modern world.

The recent dramatic events in Grozny caused quite a number of questions. For instance the army newspaper KRASNAYA ZVEZDA asks whether Russian secret services knew about the engineered assault. The daily examines the situation in one of its articles.

ROSSIYSKIYE VESTI deals with another aspect of the Chechen war. Museum exhibits, including pictures, antiques and articles of gold, should be quickly evacuated. It is high time to think about museums when guns evidently keep silent.

The newspaper's own correspondent Aleksandr Ryabushchev calls for taking away urgently and restoring what has survived the present destruction.

Replying to ROSSIYSKIYE VESTI, board chairman of the Russian Pension Fund Vasilii Barchuk writes

whether pensions will be indexed and what is in store for pensioners next autumn.

The Russian labour movement is drowning in its own waves. It cannot be a buttress for the opposition and is of no danger to the government claims Felix Babitsky. ROSSIYSKIYE VESTI front-pages his article on this topic.

The Russian president issued a new decree aimed at stepping up control over sales of strong beverages. ROSSIYSKAYA GAZETA devotes its commentary on this topic. Writing in ROSSIYSKAYA GAZETA, Boris Yamshanov explains why professional lawyers resign by groups.

Vladimir Skubitsky, 25, a fitter from Rostov-on-Don and staff member of the RostovEnergoRemont firm, who was abducted together with other electricians by Chechen rebels last January, managed to escape from his imprisonment.

His story about horrors of Chechen death camps is published by KOMSOMOLSKAYA PRAVDA. The daily front-pages another sombre sensation. Medics in Yekaterinburg, the regional administrative centre in the Urals, recorded "syphilis" diagnosis for seven- and ten-year old boys.

Both contracted the disease by sex. Doctors are inclined to speak about such facts as a national disaster: Syphilis incidence among juveniles jumped up 60 times over the past five years.

KOMSOMOLSKAYA PRAVDA carries a dialogue with the crew of the Il-76 plane who escaped their Kandahar imprisonment, in its fourth page.

It is high time now when the election fever is over, to think what should be done to revive production, strengthen finances and to raise material well-being of Russians. Pavel Bunich, chairman of the Duma (Russian parliament lower house) Committee on Property and Privatisation, expresses his views on these issues in an interview with TRUD.

The recent escape by 30 servicemen of interior troops from their unit is commented in TRUD by Major-General of Justice Yuriy Yakovlev, a high-ranking official of the Chief Military Prosecutor's Office and by Major-General of Justice Mikhail Kisilitsyn, military prosecutor of the Moscow Military District.

Russia: Diplomat Holds Talks With Canadian, U.S. Officials*LD2808094196 Moscow ITR-TASS in English
0859 GMT 28 Aug 96*

[By Nikolay Setunskiy]

[FBIS Transcribed Text] OTTAWA August 28 (Itar-Tass) — Russian Deputy Foreign Minister Georgiy Mamedov who was in Ottawa on a short working visit, completed on Tuesday consultations with top executives of Canadian and U.S. foreign offices on a broad range of acute international issues and bilateral relations.

Describing relations between Russia and Canada as "very good and free from political and other contradictions", the Russian diplomat said in an interview with Itar-Tass the following: "The main thing is that our countries have a common goal — to fill them with specific economic and financial content".

The deputy minister pointed in this connection to the importance attached by the two countries to the coming regular session of the Intergovernment Economic Commission to be held in Moscow in mid-October.

"Several agreements are being now drafted for signing, including those on technical aid to Russia as well as on air service and communications," he continued. "It is important to use Canadian capital investments for our specific needs."

Turning to NATO expansion, Mamedov said: "Canadians express interest that we should hammer out definite understandings with that organization which would suit us, would not push military structures to our borders, would not create new dividing lines and would not egg us on our neighbours".

U.S. Deputy Secretary of State Strobe Talbott specially arrived in Ottawa to meet the Russian diplomat. Mamedov told Itar-Tass that the sides "discussed questions of disarmament, including preservation of the 1972 treaty on anti-missile defense and possible signing of the treaty on the general prohibition of nuclear tests at the coming session of the U.N. General Assembly. The sides also examined prospects for ratification of the START. U.S. diplomats exchanged opinions on plans for NATO expansion in the context of Russia's position on this issue, several regional problems, including the Bosnian one. They also discussed the situation in Chechnya.

Russia: Moscow Radio Comments on Xinjiang Separatist Movement*OW2808023496 Moscow Voice of Russia World
Service in Mandarin 1300 GMT 27 Aug 96*

[From the "Good Evening, China" program]

[FBIS Translated Text] This year, the situation in the autonomous region is very complicated. Utmost efforts are needed to improve the present situation. We will mercilessly suppress enemies who undermine stability. The above is a passage from a recent article in XINJIANG RIBAO. Station commentator Milovanov pointed out that this may be the frankest analysis made recently by the Chinese official press on the situation in the Xinjiang Uygur Autonomous Region. Many foreign observers, however, hold that the actual situation there is more serious than the Chinese official press cares to admit. Starting this year the voices calling for Xinjiang to secede from China and to establish an independent Islamic republic has become louder. At least four anti-government organizations are engaging in activities in that autonomous region. The United National Revolutionary Front is believed to be one of the more influential organization among them. This organization claimed that it carried out sabotage along railways, including dynamiting five bridges along the Urumqi-Korla Railway, thus paralyzing the traffic between the provincial government and Korla for several weeks. [words indistinct] organization also claimed that it had killed more than 500 People's Liberation Army soldiers. In addition to the Uygurs, the Kazakhs and Kyrgyz are also indigenous nationalities in Xinjiang. They are not satisfied with the Beijing central government's policies. A large amount of mineral products there are transported to other Chinese provinces. Explosions of atomic bombs in Xinjiang's Lop Nur test ground had harmful effects. A large number of the Han nationality have migrated into the region. There has been persecution of Muslims, who suffered greatly during the Cultural Revolution. These are only some of their grievances against Beijing. Up until now, the situation has not developed into a direct clash. Why the sudden tension in this region? Some observers said that it has to do with the rise of Islamic power in the world today. They said some Islamic countries support the separatists in Xinjiang, which is totally possible. Others say that although it is very unlikely that Xinjiang will separate from China, Xinjiang presents a headache to the Chinese Government. Therefore, Beijing is keeping a close watch on the development of the Chechen conflict which is several thousands of kilometers from China. The separatists there are striving to have Chechnya secede from Russia in the name of Islam. The recent official statement on merciless sup-

pression of separatists in Xinjiang can be said to be a reflection of that concern.

**Russia: Defense Ministry's Kokoshin Firmly
Against NATO Expansion**

*MK2808071096 Moscow NEZAVISIMAYA GAZETA
in Russian 27 Aug 96 p 2*

[Report by Ivan Petrov under the "Contacts" rubric: "A Meeting at the Russian Defense Ministry. Andrey Kokoshin Is Opposed To Yet Another Confrontation in Europe"]

[FBIS Translated Text] Andrey Kokoshin, first deputy defense minister of the Russian Federation, met with U.S. Senator Richard Lugar on 24 August to discuss a wide range of issues relating to the two countries' contribution to the settlement of international security problems. The two sides exchanged views on problems of the limitation and reduction of strategic offensive weapons, compliance with the Antiballistic Missile Treaty of 1972, and the Convention on the Prohibition of Chemical Weapons. Thomas Pickering, U.S. ambassador to the Russian Federation, and a number of senior officials of the Russian Defense Ministry also attended the meeting.

Participants in the meeting pointed out that cooperation between Russia and the United States in enhancing international security can only be developed on the basis of the equality and equal rights of both sides. Compliance with this principle is the main guarantee that this cooperation will be mutually advantageous and sustainable in the long run despite Russia's current doubtless lagging behind the United States in many respects, Andrey Kokoshin emphasized after the meeting.

The two sides agreed that the two countries need to join forces to prevent or stop attempts of nuclear and chemical terrorism. Senator Lugar briefed the Russian side on his latest legislative initiatives in this area, which he sponsored at the U.S. Congress together with Sam Nunn. The "antiterrorist" initiatives by Senators Lugar and Nunn also are of considerable interest for the Russian lawmaking on the subject, Andrey Kokoshin said.

Questions related to NATO's possible eastward expansion were also touched upon during the discussion. Commenting on the results of the meeting, Andrey Kokoshin pointed out that he had expressed Russia's stance on the idea of expanding the North Atlantic Alliance eastward, saying that this is unacceptable for Russian security interests and international security in general. By Kokoshin's assessment, there are good chances that no eastward expansion by NATO will finally take place. But even if this expansion does occur in one form

or another, it could well be seen by Russia as running counter to the spirit, if not the letter, of treaties concluded between the Russian Federation and the West as they were dismantling "Cold War" mechanisms. Russia has the right to deny NATO's eastward expansion legitimacy for decades, which is by no means an exception in international practice, Andrey Kokoshin remarked. At the same time, all sides should do their utmost so as to avoid causing yet another confrontation in Europe and the European Atlantic area. The economic, political, and defense interests of all countries of Central and Eastern Europe should be fully taken into account, regardless of whether they have applied for NATO membership or no longer desire to join the alliance. Andrey Kokoshin emphasized that their sovereignty should also be fully ensured.

**Russia: Bahrain Embassy Incident 'Unlikely' To Be
Chechen-Inspired**

*MM2708154196 Moscow IZVESTIYA in Russian
28 Aug 96 pp 1, 3*

[Report by Gennadiy Charod'yev: "AFP Gets Carried Away: There Was No Attack on Our Embassy in Bahrain. But One Man Did Nevertheless Die"]

[FBIS Translated Text] International telephone calls are constantly coming through to the Russian Embassy in Manama, capital of Bahrain. The families of our citizens living and working on the shore of the Persian Gulf are asking worriedly: Was anyone hurt in the exchange of gunfire with the Chechen bandits?

"Tell everyone that there was no attack on the embassy," Sergey Peskov, Russian charge d'affaires ad interim in Bahrain, shouted down the telephone to IZVESTIYA. "None of the embassy or consulate personnel has been hurt."

The Russian diplomat said that at around 0100 on 26 August some strangers attacked a police guard who was taking a stroll in the fresh air at the entrance to the embassy. The attackers fired a pistol at him several times and escaped in a waiting vehicle.

Sergey Peskov was irritated: The AFP correspondent had obviously dreamt — otherwise he would not have reported — that some bandits had supposedly fired at the Russian Embassy and tried to get into its premises with some aim in mind. "This is simply impossible; we are protected against any criminals by a high wall and sturdy gates," the charge d'affaires ad interim said.

Bahrain police special services personnel quickly appeared at the scene of the incident and are conducting an investigation. They are trying to establish the attackers' identity, but without result at present. It is unlikely

that the criminals were Chechens trying to "avenge Dudayev." Sergey Peskov also said that there is no Chechen diaspora as such in Bahrain. The reprisal against an ordinary policeman looks more like an inter-clan fight, which is no rare occurrence in these parts, according to police reports. The other option put forward by the police is that this was a settling of personal scores.

Diplomats told IZVESTIYA that the Russian Embassy and Consulate in Bahrain is one of the smallest missions in the Persian Gulf area in terms of staff numbers — there are only a few dozen people here, including families. Apart from that, there are around 25-30 of our businessmen (there are even some bankers) and representatives of various organizations living permanently in the country, as well as ten or so fair-haired Russian women who have married Bahrainis at some point. Since 1991, when the embassy officially opened in Manama took place, not a single complaint from our compatriots regarding threats against them or attacks has been registered. So the attack on the policeman is an extraordinary incident.

The charge d'affaires ad interim noted that the authorities have reinforced the armed guard around the embassy building, and Bahrain security service personnel are even attentively observing the situation in the next street from a black car.

Russia: Interior Minister, European Envoy Discuss Chechnya Settlement

LD2808104596 Moscow INTERFAX in English
1034 GMT 28 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 28 (Interfax) — Russian Interior Minister Anatoliy Kulikov met with the head of the special commission for Chechnya of the Parliamentary Assembly of the Council of Europe, Ernst Muehleemann, in Moscow on Wednesday to discuss conflict settlement in that breakaway region of Russia.

Kulikov briefed Muehleemann on his ministry's role in the efforts to stabilize the situation in Chechnya, the ministry press service told Interfax.

Russia: Chernomyrdin, Ukraine's Lazarenko Praise Moscow Talks

LD2708163496 Moscow INTERFAX in English
1620 GMT 27 Aug 96

[From the "Presidential Bulletin" feature, compiled by Anna Kovalyova, Nikolay Zherebtsov, Andrey Petrovskiy, Boris Yunanov]

[FBIS Transcribed Text] [no dateline as received] Ukraine and Russia are close to signing a treaty on friendship and cooperation, Ukrainian counterpart,

Pavel Lazarenko and his Russian Prime Minister Viktor Chernomyrdin, told journalists upon the end of their talks in Moscow Tuesday.

According to Chernomyrdin, the document could be prepared for signing by the next meeting of the bilateral intergovernmental commission which will meet in session in Kiev in October or November. He also confirmed his personal participation in this meeting.

When all remaining issues are settled, the issue of Boris Yeltsin's visit to Ukraine will be raised, Chernomyrdin said. "There must be no problem" over this visit, he noted.

Today's talks also discussed sharing out the former Soviet Black Sea Fleet, one of the stumbling blocks of the big treaty. "There is progress in its resolution," Chernomyrdin said.

Russia and Ukraine are as close as never to signing the interstate treaty, Lazarenko said, calling this treaty a "document of compromise."

Lazarenko and Chernomyrdin attended the signing ceremony of the agreements on cooperation in outer space research in peaceful purposes, scientific and technological cooperation and cooperation in restrictions on import of possibly harmful vegetable matter.

Chernomyrdin said their talks also touched on gas supplies, military-technological cooperation and foreign policy.

Ukrainian Prime Minister Pavel Lazarenko signed three intergovernmental agreements during his extended visit to Moscow Tuesday.

Lazarenko and his Russian counterpart, Viktor Chernomyrdin, signed agreements on cooperation in outer space research for peaceful purposes, scientific and technological cooperation and cooperation in restrictions on import of possibly harmful vegetable matter.

In addition, the talks "worked through a large number of other issues," Lazarenko said. He said they planned to discuss 14 issues, but coordinated an additional 18.

After the signing ceremony, Chernomyrdin and Lazarenko stated that Ukraine and Russia "practically managed to find mutually acceptable solutions to all bilateral disputes."

According to Lazarenko, these talks "substantially promote" the development of the basic treaty on friendship and cooperation between Russia and Ukraine.

The Ukrainian and Russian governments have set up a bilateral working group to settle their dispute concerning value-added tax on Ukrainian goods exported to Russia.

The Russian side of the group will be led by Deputy Prime Minister Valeriy Serov, Prime Minister Viktor Chernomyrdin said at talks with his Ukrainian counterpart Pavel Lazarenko in Moscow on Tuesday. According to him, the problem of collecting value-added tax from Ukrainian exporters "is extremely complicated."

It is common knowledge that President Boris Yeltsin signed a decree which provides for imposing value-added tax on commodities imported from Ukraine as of September 1 this year. According to Russian government experts, this measure is designed to halt dumping on the part of Ukrainian exporters and protect Russian producers.

Solution to this problem must not be delayed, Chernomyrdin said.

For his part Lazarenko conceded that the Ukrainian government should exert a lot of effort in resolving this problem. "The imposition of value-added tax would halt the movement of goods between the two countries altogether," he said.

Russia: Navy Commanders Agree on Final Black Sea Fleet Division

MM2808095396 Kiev TRUD-UKRAINA in Russian
27 Aug 96 p 1

[Report by Lev Ryabchikov: "The Final and Decisive Stage"]

[FBIS Translated Text] The terms and parameters of the second stage in dividing up the Black Sea Fleet have been coordinated in the course of consultations on Black Sea Fleet issues between the Russian and Ukrainian sides at the level of military delegations. The Russian delegation was headed by Fleet Admiral Feliks Gromov, commander of the Russian Federation Navy, and the Ukrainian side by Vice Admiral Volodymyr Bezkorovaynyy, Ukraine's deputy defense minister and commander of the Navy.

Experts are continuing to assess the quantity and quality of the ship and shore infrastructure being handed over to Ukraine. Specialists believe that the concluding stage in the division of the fleet is under way, following which the remaining ships can be expected to constitute the Russian fleet and fly the Saint Andrew's flag. Terms for basing the fleet in Crimea are to be determined.

Russia: Economic Cooperation Discussed With Belarusian Minister

WS2808094596 Minsk Radio Minsk Network
in Belarusian 0400 GMT 28 Aug 96

[FBIS Translated Text] Issues concerning the expansion of trade and economic relations between Belarus and the

Russian Federation within the framework of the agreement on establishing the customs union and community of the neighboring countries have been discussed in Moscow by Oleg Davydov, Russian foreign economic relations minister, and Mikhail Marynich, foreign economic relations minister of our Republic. During their meeting, they primarily discussed protecting domestic producers' interests, coordinating actions aimed at setting and changing customs duties, and regulating imports from third countries.

Russia: 'Mutual Interest' With Moldova Seen as Basis for Ties

MM2808114496 Moscow ROSSIYSKIYE VESTI
in Russian 27 Aug 96 pp 1, 2

[Interview with Moldovan Ambassador to Russia Valeriu Pasat by Yuriy Popov; place and date not given: "New Life Is Growing Like a Vine"]

[FBIS Translated Excerpt] Today is a special day in Moldova, marking five years of independent development for the republic. Our correspondent Yuriy Popov asked Valeriu Pasat, the country's ambassador to the Russian Federation, to answer some questions connected with the important date. [passage omitted]

[Popov] It is perfectly clear that the changes have affected not only Moldovan society, but also Moldova's relations with foreign countries. What particularly interests us, of course, is Russian-Moldovan relations. What state are they in at the moment, and what is contributing to or hindering their development?

[Pasat] Obviously you did not expect a sensational answer from me to that question, since it is common knowledge that our relations go back centuries and have stood the test time and again. In a nutshell, they are traditionally good. But it is no secret that we had a difficult job establishing them on the new basis of equal partnership. People here and in Russia know about the rather difficult situations that have arisen.

But, thank goodness, they are behind us now. Relations with Russia are a priority for our state. We are collaborating in all manner of spheres — production, medicine, science — and are seeking the most effective and reliable ways of implementing more than 70 treaties concluded between the two countries.

There is only one stimulus here, but it is a very reliable one: mutual interest. So we need active, enterprising people, professionals. But at times we still suffer from inertia and hidebound attitudes; we are unable to act swiftly. The dynamism of our mutual relations suffers a great deal as a result.

[Popov] What is your assessment of Russian-Moldovan trade and economic collaboration as a whole?

[Pasat] Again there are no revelations in my assessment. I could answer this extremely briefly: Russia is our chief economic partner. That says it all, I think. It is not difficult to see that the state of economic links and their dynamics have an important effect on the health of the Moldovan national economy. Just think about it: Only recently Moldovan enterprises were entirely geared to producing goods for Russian consumers. But then the Soviet Union broke up, past ties dissolved, and the sales market shrank. In 1991 the trade turnover between Moldova and Russia was \$7.24 billion, but in 1995 it had fallen to \$1.03 billion. A sevenfold reduction! You can imagine how difficult it was for our producers to operate.

It is vitally important to reestablish links at the old, indeed at a higher level. But is the task that simple? The laws of the market are tough, as you know. And in the formation period they actually appear brutal. Competition has come into play and Russian consumers' needs are changing. Although Moldovan goods are remembered in Russia and many would prefer them to any other foreign goods, it is difficult to reach the consumer. Even with new brands of goods which match world standards. The quality of our brandies and wines is generally acknowledged. We also produce quality cable, pumps, refrigerators, and knitwear and tasty, high-quality fruit, vegetables, canned goods, and meat. In exchange Russia could supply us with the raw materials, energy sources, and chemical industry goods we are keen to have.

What do we need to do? We need new forms of cooperation, marketing, attractive advertising, and much else. We have signed an intergovernmental Agreement on Trade and Economic Cooperation in 1996-1997. It is a succinct indication of the ideology and technology of our trade and economic relations and an encapsulation of the specific economic situation in our countries. We hope that it will help us to swiftly restore and update economic cooperation.

[Popov] What is your vision of the future of sovereign Moldova and its relations with Russia?

[Pasat] Five years ago we chose democracy, a rule-of-law, civil society, and a market economy. Of course, we then had yet to put flesh on the bones of that choice. Indeed, unlike Russia or, for example, the former socialist community countries, Moldova had no experience of independent statehood, there were no civic traditions in society, and people, in their political thinking, had no concept of the "national interest."

What were we to replace the former bankrupt system with? The answer today is clear: the Republic of Moldova — a sovereign, democratic state, sharing the common desire of civilized countries for peace and mutual understanding and businesslike cooperation.

It is in accordance with these principles that we are building relations with Russia now and intend to do so in the future. History itself has demonstrated the unbreakable ties between our countries and peoples. That is the way they will be in the future.

Russia: Moscow Signs Nuclear Safety Agreement With Armenia

MK2808111896 Moscow NEZAVISIMAYA GAZETA in Russian 28 Aug 96 p 3

[Unattributed report: "Armenia"]

[FBIS Translated Text] Russia will extend a 100-billion ruble loan to Armenia to ensure the safe operation of Armenia's nuclear power station and to buy nuclear fuel. A corresponding agreement was signed last week in Moscow between Gagik Shakhbazyan, Armenia's minister for relations with the CIS, the European Union, and international economic organizations; and Aleksey Bolshakov, first deputy premier of the Russian Federation Government.

Russia: UN Envoy Reports on Georgian-Abkhazian Conflict

LD2808105996 Moscow ITAR-TASS in English 1021 GMT 28 Aug 96

[By Sergey Baybakov]

[FBIS Transcribed Text] UNITED NATIONS, August 28 (Itar-Tass) — Russia's UN representative Sergey Lavrov on Wednesday reported to the UN Security Council on the Georgian-Abkhazian conflict, Itar-Tass learned today.

Lavrov informed the meeting of a joint trip to the conflict zone by a group of Russian mediators headed by First Deputy Foreign Minister Boris Pastukhov, representatives of the Georgian and Abkhazian sides, the UN mission in Georgia and peacekeeping forces of the Commonwealth of Independent States.

It was the first time that Tbilisi official representatives could visit the Gali district since the start of the conflict, Lavrov told Tass.

"This was done with consent of the Abkhazian side and we regard it as a certain step forward in building trust between the sides," Lavrov said.

Lavrov said that the Russian delegation saw some positive changes in the refugee return issue.

"This process, which started spontaneously has acquired a more stable character, and there are signs showing that it becomes irreversible despite many problems facing the refugees returning to the Gali district. They include the social and economic situation, the crime situation and a persisting mine danger," he said.

The Security council representatives, in particular the German and Italian delegations, voiced their satisfaction with the results of the trip, Lavrov said.

According to Lavrov, the council has also considered a motion put forward by UN Secretariat and the Organisation for Security and Cooperation in Europe on setting up a human rights mission in Sukhumi. Its aim would be to protect the Abkhazian population in accordance with the General declaration on human rights, to render assistance in ensuring a safe return of refugees and to report on changes with human rights situation.

The Security Council will get back to this issue after it has got additional information on it.

Russia: Russia Seen as Unwelcome in Baltic Power Grid Plan

MM2808092996 Moscow IZVESTIYA in Russian
24 Aug 96 p 3

[Report by Boris Lysenko: "Russia Is Not Invited To Join the 'Baltic Ring.' The West Does Not Need a Competitor Capable of Influencing Supply and Prices"]

[FBIS Translated Text] Berlin — For some people this is nothing but daydreaming, whereas for others it is a program for the future with good chances of implementation. I mean the "Baltic Ring" — an energy system uniting states located around the Baltic Sea.

The Baltic Ring will have the same significance as the project for creating railroad communications between Berlin, Warsaw, Minsk, and Moscow. It is to provide electricity and connect practically all East European consumers with the West. The entire project is worth 8 billion German marks.

Many people still have only a vague idea of how, from the technical and economic viewpoints, national electricity networks can be linked together. However, the greater part of the Baltic Ring already exists. For example, Germany is connected with Sweden and Norway by cables laid on the sea bottom.

The Russian network, which has an access vent to the Scandinavian system through a substation in Vyborg, is also a major factor in the further implementation of the Baltic Ring project.

The Baltic states — Estonia, Latvia, and Lithuania — whose governments pin great hopes on West European countries and to whom surplus energy could be sold, are of particularly great interest to the West. However, the technical parameters of the obsolete system prevailing in Baltic states are not conducive to a rapid increase in energy trade. That is why some Western representatives believe that, for the time being, the Baltic states should not sever ties with the Russian electricity system.

Although Russia's energy potential, production and consumer alike, is attractive to Western companies, Moscow is not on the list of the most welcome participants in the project. Officials at the European Commission in Brussels attribute their position to political instability in Russia and the technological backwardness of its equipment. Yet the main reason lies elsewhere: The West does not need a competitor capable of influencing supply and prices.

Political Issues

Russia: Yeltsin's Office Orders Lebed To Submit Chechnya Peace Plan

LD2708122096 Moscow INTERFAX in English
1159 GMT 27 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 27 (Interfax) — Russian Security Council Secretary Aleksandr Lebed has been asked to submit in written form a comprehensive plan to settle the Chechen crisis and an account for his last trip to Grozny.

According to the Security Council press service, such a request came from the chief of the Russian president's office.

Lebed is given until 5:00 p.m. today to deliver the materials to President Boris Yeltsin so that after his familiarization with the documents, the president can decide either to meet with Lebed or to talk with him by phone, the press service said.

As for reports by some news agencies that Aleksandr Lebed allegedly wants to resign, his spokesman Aleksandr Barkhatov said that when he discussed the matter with his chief, Lebed only joked: "When they asked Abram Semyonovich [reference to fictional character] about his health he replied — don't get your hopes up."

Russia: Political Accord With Chechnya Under Yeltsin Scrutiny

LD2808110596 Moscow ITAR-TASS in English
1052 GMT 28 Aug 96

[By Andrey Surzhansky]

[FBIS Transcribed Text] Moscow, August 28 (Itar-Tass) — The settlement plan for Chechnya submitted to President Boris Yeltsin by Aleksandr Lebed is a mature document from the judicial point of view, Boris Barkhatov, a spokesman for Aleksandr Lebed, told Itar-Tass today.

The plan is a draft agreement on political settlement of the Chechnya crisis, Barkhatov said, adding that the plan was sent to the president immediately after it was ready, but was not made public as "a matter of diplomacy".

As for how and when Chechnya's political status within Russia will be determined, Barkhatov said "time is not the main thing".

"One cannot say with certainty whether it will take five or ten years to determine the republic's status," the spokesman of the Russian security chief said, adding that the earlier talks with the Chechen opposition had shown that "this problem is of no principle importance and can be quickly agreed".

Barkhatov said "the Russian Security Council secretary is now awaiting the president's reaction" to the draft political accord.

It may depend on Yeltsin's decision whether Lebed makes another trip to Chechnya.

"A dangerous situation is emerging, when military accords are being made, but the corresponding political basis for their successful implementation is lacking," Barkhatov went on to say.

Political dialogue is now needed, he explained.

"The political process must go only with these two conditions simultaneously ensured. Otherwise additional problems will arise," Barkhatov said.

Russia: Lebed Spokesman on Yeltsin Consideration of Chechnya Plan

LD2808105196 Moscow ITAR-TASS World Service
in Russian 1015 GMT 28 Aug 96

[By ITAR-TASS correspondent Andrey Surzhanskiy]

[FBIS Translated Text] Moscow, 29 Aug (ITAR-TASS) — The plan for a settlement of the Chechen crisis, which has been submitted to President Boris Yeltsin, based on a draft agreement for a political settlement in Chechnya, is a mature document from the legal point of view. It is not being made public in advance and was immediately sent from the Russian Security Council to the office of the head of state since "this is the matter of diplomacy", Aleksandr Barkhatov, Lebed's spokesman, said to an ITAR-TASS correspondent.

Speaking of a mechanism for determining the status of Chechnya and the dates for a final decision on this issue, Barkhatov said that "the dates are not the most important factor" in the drafted document. "It is impossible to say whether it is going to take five or 10 years to determine the status of the republic," Barkhatov said. However, he added that the talks with the Chechen opposition proved that "the current problem is not one of principle and could quickly be agreed upon."

As for the future destiny of the draft political agreement sent to Boris Yeltsin, as Aleksandr Barkhatov pointed out, "the secretary of the Russian Federation Security Council is now awaiting the president's reaction." It is not ruled out that Aleksandr Lebed's next trip to Chechnya will depend on this decision.

Commenting on the situation that has taken shape around the drafting of this important document, Lebed's press secretary said:

"A dangerous situation arises when military agreements are concluded but there is no political basis for their successful implementation."

Barkhatov said the time for political dialogue has arrived.

"The political process should move forward only with these two conditions being secured in parallel," he added. "Otherwise, additional problems will arise."

Russia: Foreign Ministry Examines Chechen Settlement Documents

LD2808113996 Moscow INTERFAX in English
1107 GMT 28 Aug 96

[FBIS Transcribed Text] Moscow, Aug 28 (Interfax) — The Russian Foreign Ministry is examining documents on political aspects of the Chechen settlement, Russian Foreign Ministry spokesman Mikhail Demurin told Interfax. He refused to comment on the nature or source of the documents.

"The Foreign Ministry is examining those aspects of these documents which are within the competence of the ministry," he said.

"This is a normal practice when the matter concerns documents related to division of powers between the federal authorities and Russia's constituent members," Demurin said.

Secretary of Russia's Security Council Aleksandr Lebed had told journalists last weekend after the negotiations with leaders of the Chechen opposition that it is necessary to make "a serious legal examination" of a draft agreement on principles of mutual relations between Russia and Chechnya.

Russia: Security Council Criticizes False Media Reports on Chechnya

LD2808101996 Moscow INTERFAX in English
1007 GMT 28 Aug 96

[FBIS Transcribed Text] Moscow, Aug 28 (Interfax) — Russian Security Council spokesman Aleksandr Barkhatov blasted enemies of peace in Chechnya for knowingly providing the mass media with false information on behalf of the council press service.

The statement followed recent media reports on the reasons for the cancellation of a meeting between Security Council Secretary Aleksandr Lebed and Russian President Boris Yeltsin, which cited materials allegedly provided by the council press service.

Barkhatov said he does not consider such reports "the result of mass media's pursuit of sensation."

He believes that Lebed's active efforts to restore peace in Chechnya have met with fierce resistance from "certain political forces in Moscow."

"In order to disrupt the scenario of peaceful settlement of the crisis, they are trying to drive a wedge between the Security Council secretary and the country's highest leadership," he said.

Russia: Lebed Said To Have Dirt on 'Influential Politicians'

MM2808084796 Moscow ROSSIYSKIYE VESTI
in Russian 28 Aug 96 p 1

[Report by Pavel Anokhin: "Knot of War Tightens, Tongues Loosen"]

[FBIS Translated Text] Russian President Boris Yeltsin has called for all the documents relating to the talks in Chechnya begun by Aleksandr Lebed. Studying them is the prelude to a meeting between the Russian head of state and Aleksandr Lebed, secretary of the Russian Federation Security Council, the date of which has not yet been announced.

According to certain rumors, Aleksandr Lebed with the connivance of Chechen separatists had obtained compromising material on certain influential politicians in the country who are involved in the Chechen crisis, and was planning to reveal their names, but had second thoughts at the last minute, directing all his firepower against Army General Anatoliy Kulikov, Russian Federation minister of internal affairs.

Outwardly, this attack looks like evidence of an attempt on Aleksandr Lebed's part to have his own man installed as leader of the Russian Federation MVD [Ministry of Internal Affairs]. Underneath it reflects the rivalry between two power departments — the Defense Ministry and the MVD. Aleksandr Lebed's ultimatum has brought that rivalry out into the open, as reflected in the military "success" of the federal troops. It is no longer any secret that the subunits of these two power structures are not operating in a coordinated fashion, to put it mildly.

In the search for a way out of the conflict, Anatoliy Kulikov has proposed a compromise: The Army will leave Chechnya, transferring its artillery, aircraft, and heavy armor to the Russian Federation MVD Internal Troops. This would allow the Russian MVD subunits to operate more effectively in Chechnya. But the Defense Ministry is opposed to the idea, the feeling being that it would create a parallel army. This position is also held by General Aleksandr Lebed, who wants to be personally in charge of resolving the Chechnya conflict.

While the generals are tangling with each other, the situation in Chechnya is getting increasingly dramatic. INTERFAX has reported that federal troop positions in Chechnya were shelled 11 times in the past 24 hours. Separatist formations are not leaving the city but are continuing to regroup. The separatists have now created two powerful groupings in Grozny of approximately 1,200 gunmen each.

Russia: Lebed's Actions in Chechnya Evidence of Presidential Aspirations

MM2708191696 Moscow IZVESTIYA in Russian
28 Aug 96 pp 1,2

[Article by Yevgeniya Albats: "Behind-the-Scenes Maneuvers Over Peace in Chechnya"]

[FBIS Translated Text] An undeclared behind-the-scenes presidential campaign is under way in the country. This is evidenced by the footwork over the agreement Lebed brought from Chechnya.

The president needs time to familiarize himself with the documents, so he cannot receive the general, and clearly will be unable to do so in the immediate future... The prime minister would appear to support the general, but he is in no hurry to say so publicly... In the Duma the Communists are preoccupied with the constitutional nature of the general's powers, and they are supported in this — who would have thought it? — by Sergey Filatov, only recently a fierce opponent... Zavgayev's subordinates are publicly blackmailing the central authorities, saying that an overt coup has taken place in Chechnya. Read this as meaning: Lebed did it in Chechnya today, and he will do it in Moscow tomorrow... Meanwhile, in and around Grozny the situation could explode at any moment, then everything would be reduced to ashes once again. Not only the ashes of Chechen children — these ashes could rain down all over Russia; and explosions — the Chechens at bay would have no option but to transfer the war to someone else's territory; and ultimatums by generals deciding — as they were on the point of deciding to do in Grozny recently — to sort things out according to their own discretion and in their own way, this time not on the scale of a single city, but of the country....

Let us not be naive: The Security Council secretary's vigorous actions in Chechnya over the past two weeks have been redolent of tough, albeit entirely justifiable political pragmatism — of the general's aspirations to be the head that wears the crown in the Fatherland. It is now clear that Lebed's strange behavior, when he promised during the recent presidential campaign to end the war in Chechnya and then suddenly changed his position radically, was due to the uncertainty at the

top among the Russian authorities. And this uncertainty is bound up with the health of the president. Now the general realizes the time has come to go for broke. If he stops this disgraceful war, he will be a national hero with a great chance of becoming a hero with official powers in the future, if not, he will have very powerful rivals — Chernomyrdin, Luzhkov.... There you have it. Nonetheless, one must be very aware that given the current lack of authority in the country or, should I say, multiple authority (the two are virtually synonymous in Russia at the moment) there is no choice. If the advocates of the use of force to resolve conflicts prevail in Chechnya, they will have a good chance of making this the regular practice.

Now let us address constitutionality and powers. The public is already being peddled two types of fears (irrespective of what phrases are used to express them). Fear number one: The Security Council chairman has been given unlimited powers by the president. That is untrue. The president has given an assignment and granted special powers to his representative in Chechnya Aleksandr Lebed. These powers are somewhat different from those the previous representative — Oleg Lobov — had. But the latter failed (was not allowed to, did not want to) to use them, and Lebed has shown that he wants and, perhaps, will be able to. Is there a danger that the general will try to keep his wide powers back in the Kremlin? Yes, there is. But he will most probably try to establish these powers by legitimate means.

Fear number two: The general is prepared to grant Chechnya special status, and other autonomous entities and territories might fancy following its example — particularly given the gubernatorial elections in the offing. The consequence would be the disintegration of the Federation. This is untrue as well. Both the autonomous entities and the territories realized a long time ago, as did Chechnya, that they cannot survive alone and they are too dependent on Moscow — above all financially. Only an idiot would strike out on his own. The agreement which Lebed has almost signed with Maskhadov talks about a process, in the course of which Chechnya's status will be elaborated. It is clear, is it not, that following nearly two years of war it is absurd to insist on keeping the republic's former political status? It is the economy — and here Moscow holds all the cards (Chechnya is in ruins!) that will determine Chechnya's place in the Federation. Since it was the economy that predetermined Tatarstan's loyalty to Moscow (albeit with special status).

**Russia: Security Council Defends Lebed Against
Zavgayev's Criticism**

LD2708173796 Moscow NTV in Russian
1500 GMT 27 Aug 96

[From the "Segodnya" newscast]

[FBIS Translated Text] [Announcer Mikhail Osokin] Representatives of Security Council Secretary Aleksandr Lebed have reacted to Doku Zavgayev's statement [in which he criticized Lebed's actions in Chechnya]. In their opinion, Zavgayev is trying to shift the responsibility and therefore is looking for someone else to blame.

[Unidentified correspondent] The Russian Security Council has reacted very calmly to the accusations made by Zavgayev and reminded, first of all, of the fact that Lebed had received all his powers in Chechnya considerably later than the beginning of the storming of Grozny and that he had organized no coups there.

[Begin Vladimir Denisov recording, deputy secretary of the Security Council, identified by caption] [video shows Denisov talking to journalist in his office] Several things in his [Zavgayev's] interview simply do not hold water. For example, a very bold and angry statement that Aleksandr Ivanovich Lebed surrendered Grozny, in other words that Grozny was surrendered on 6 August following Lebed's order. It is common knowledge that the president appointed Lebed his plenipotentiary envoy to Chechnya on 10 August and that Aleksandr Ivanovich arrived in Chechnya much later. This is first.

Second. The powers under which Aleksandr Ivanovich Lebed, as presidential envoy to Chechnya, could have given instructions, *inter alia* to troops, were granted him much later. They were given to him on 14 August by an edict of the president of the Russian Federation. That is, in the purely technical sense, these statements do not hold water.

Now the content. Strictly speaking, Aleksandr Ivanovich simply recorded the situation that had evolved by that time on the whole territory of Chechnya in general and in Grozny in particular. As for the situation and what it was like at the time when the presidential envoy to Chechnya assumed his powers, and what it was like in terms of what the republic's official authorities were doing and to what extent they were influencing the situation, it is just the harsh reality of a military situation. Therefore to accuse him [Lebed] of surrendering Grozny and committing a coup d'etat is tactless, to say the least. Strictly speaking, it is a provocation. [end recording]

[Correspondent] For the time being Denisov cannot say who or what pushed Zavgayev to make these sharp statements.

[Begin Denisov recording] We are not inclined to jump to any conclusions. First of all, we need to sort out the reasons for this statement, what provoked it and whether the statement is what Doku Gapurovich himself honestly believes. [end recording]

[Correspondent] In any case, the employees of the secretary of the Security Council are convinced that those who are throwing stones at Lebed, are hitting the president and the prime minister whose task he is implementing.

**Russia: 'Urgent Matters' Cancel Primakov's
Planned News Conference**

LD2808100996 Moscow ITAR-TASS in English
0842 GMT 28 Aug 96

[By Irina Shchegoleva]

[FBIS Transcribed Text] Sochi, August 28 (Itar-Tass) — Russian Foreign Minister Yevgeniy Primakov, who is vacationing in the south-Russian resort city of Sochi on the Black sea coast, has called off a press conference scheduled for Wednesday.

Sources in the information and analytical department of the municipal administration said "urgent matters" intervened with Primakov's plan for giving a press conference for local journalists.

**Russia: Panskov Appointed First Deputy Minister
of Economy**

LD2708161396 Moscow Radiostantsiya Ekho Moskvy
in Russian 1500 GMT 27 Aug 96

[FBIS Translated Text] According to unofficial information, former Russian Finance Minister Vladimir Panskov has been appointed to the post of first deputy minister of the economy. Panskov himself confirmed this in an interview to our radio station, saying that he does not consider his new appointment to be a demotion.

[Begin Panskov recording] The fact of the matter is that I left my job at my own volition. I made the request to the chairman [of the government] and to the president to leave the office of minister in order to work independently but, at the same time, to work more quietly because my health could not stand up to working 11 hours a day. Now I am able to carry out work independently. [end recording]

Panskov's duties will be defined when he returns from leave. Panskov himself believes that he will deal with questions connected with the work of the Finance Ministry.

Russia: 'Calm,' 'Phlegmatic' New SBP Head Kuznetsov Profiled

MM2808100296 Moscow IZVESTIYA in Russian
28 Aug 96 p 1

[Article by Aleksandr Dzyublo under the "Appointments" rubric: "New Man in the Front Seat"]

[FBIS Translated Text] To the universal satisfaction of journalists from the Russian president's "retinue," the new head of Boris Yeltsin's [Presidential] Security Service [SBP] is his senior adjutant, Colonel Anatoliy Kuznetsov. He has won the sympathies of Kremlin hacks because of his sensitive treatment of reporters. It is noteworthy that behind his back correspondents call Kuznetsov simply Tolya, although they avoid familiarity when addressing him, preferring to use his name and patronymic — Anatoliy Leonidovich.

In fact the functions within the president's entourage performed by this calm, balanced, even rather phlegmatic man of under 40 were somewhat broader than simply protecting the state's top person. As "number one adjutant," Kuznetsov would usually take all the flowers, gifts, and presents handed to Yeltsin. After the dismissal of Aleksandr Korzhakov, the former head of the SBP, and the appointment of Yuriy Krapivin as acting head, the latter, to many people's surprise, did not sit in Korzhakov's place in the front seat of the presidential limousine. During Yeltsin's campaign trip to Brest and Kaliningrad Kuznetsov sat there, which even then was seen by observers as a "sign." However, the subsequent incorporation of the formerly independent SBP within the Federal Protection Service as an administration somewhat lowered the status of the SBP leader.

It was on his last campaign trip, according to the official story, that Boris Nikolayevich caught a cold after rashly declining the umbrella offered by Kuznetsov. The adjutant could not insist not only because of his mild character, but also because of his official position. But as head of the Security Service Kuznetsov will probably have more opportunity to prevent the president from falling ill, which, according to our information, is what he is currently doing "on assignment" at the "Rus" sanatorium and health complex. He is scarcely playing tennis with the president there, although he can play. Out of other sports Kuznetsov, who is notable for his impressive size (his clothes are size 60), prefers duels of strength.

Military Issues

Russia: Yeltsin Signs Decree on Completing Construction of Ships

LD2808110896 Moscow ITAR-TASS in English
1038 GMT 28 Aug 96

[FBIS Transcribed Text] Moscow, August 28 (Itar-Tass) — President Boris Yeltsin signed on Wednesday a decree on measures of state support for the initiative of the public council "300 years of the Russian Fleet" on completing construction of warships of the navy and sea forces of the Russian Federal Border Service.

The Russian president's press service reported today that Yeltsin ruled to approve the initiative of the public council "300 Years of the Russian Fleet" to carry out an all-Russian collection of money to complete construction of warships.

The president instructed the government to examine and submit to the State Duma (Russian parliament lower house) a draft federal bill on decreasing taxable profits in 1996 of enterprises and organizations, irrespective of the form of ownership, to a sum of voluntary donations contributed by them for the construction of ships.

The decree recommends that state-owned TV networks, the ROSSIYSKAYA GAZETA newspaper and other media should cover progress and results of the all-Russian collection of funds to complete construction of warships.

Russia: New Presidential Representative Appointed to Arms Exporter

LD2808102496 Moscow ARGUMENTY I FAKTY
in Russian 27 Aug 96

[Unattributed Article: "General Burlakov Is Not Bored"]

[FBIS Translated Text] The Russian public did not notice "a change of guard" in the organization called "Rosvooruzheniye" which deals in arms exports. We have learned that Army General Matvey Burlakov has become a presidential representative in this "office." It is the very same Burlakov who was at the center of all the scandals linked to the withdrawal of our troops from Germany. The Defense Ministry still remembers vividly Pavel Grachev's unsuccessful attempts to appoint Burlakov his deputy.

So here is a new appointment now. Perhaps M. Burlakov will help the president to find the \$234 million of proceeds from the sale of Russian weapons which the auditors have failed to find. At the same time, according to the information available, the managers of "Rosvooruzheniye" get good remuneration: up to \$70,000 a year plus various perks.

**Russia: Deputy Minister on Upgrading, Merging
Defense Production**

*MK2808111796 Moscow SEGODNYA in Russian
28 Aug 96 p 2*

[Report by Igor Ivanov: "The Defense Ministry Calls For a Merger of Military Industrial Complex Enterprises. Andrey Kokoshin Will Press For Additional Appropriations To Upgrade the Defense Industry's Working Assets"]

[FBIS Translated Text] First Deputy Defense Minister Andrey Kokoshin said that the state needs to take "special efforts" in the face of an "alarming" obsolescence of the military-industrial complex's working assets. In the course of meetings earlier this week with Russian defense enterprise directors Mr. Kokoshin said that, in addition to the national defense expenditures envisioned in the budget, the government should provide extra funds to modernize the military industrial complex's working assets. The first deputy defense minister told the directors that the Defense Ministry would like "this line to be reflected in the 1997 budget." Meanwhile the military-industrial complex, Kokoshin continued, should actively search for investors ready to commit funds in the development of dual purpose technology and civilian production.

According to the League for the Assistance of Russian Defense Enterprises, defense orders account for approximately one-tenth of the military-industrial complex's production capacities.

Mr. Kokoshin told the directors that the Defense Ministry fully supports the efforts of the Defense Industry Ministry and the Economy Ministry to "merge" domestic enterprises engaged in the development and production of weapons and military equipment as well as research-intensive production facilities. The merging of many design bureaus and research institutes with series production plants has not been completed to date. Andrey Kokoshin said that the Defense Ministry "is vitally interested" in defense R&D projects and arms production being handled by "large modern companies so that this activity is concentrated at the smallest possible number of enterprises." Earlier, and quite to the contrary, the sector actively promoted narrow specialization and retooling of production.

Mr. Kokoshin spoke in favor of "consistent state control in the formation of such companies." The first deputy defense minister believes that priority should here be given to ensuring the continuity of key weapon production technological chains.

Andrey Kokoshin said that the Defense Ministry is "closely monitoring" the restructuring of the military

industrial complex in China, India, the United States, and Western Europe. Mergers and takeovers in military industrial companies are especially dynamic in the United States (the merging of Lockheed and Martin-Marietta, and Boeing and Westinghouse Systems) and in France (the merging of Aerospatiale and Dassault Aviation; close cooperation between Aerospatiale missile division and a private company, Matra Defense; the creation of joint British-French ventures, and so forth). These countries look at the viability of such companies in the context of growing competition on the world arms market.

Mr. Kokoshin reminded the directors that the capacity of traditional aviation and space markets is shrinking like shagreen leather. He invited the domestic defense sector to take this into account, because the "export of weapons and technology and the sale of licenses and know-how plays an increasingly important role in the fate of Russia's defense sector."

The first deputy defense minister and the defense enterprise directors discussed problems of funding defense orders and the Defense Ministry's civilian and conversion programs as well as pricing in defense production. Thus, in 1995 the level of Defense Ministry funding of weapons and military equipment procurement and R&D projects constituted 95 percent of the federal budget targets. With respect to federal civilian production programs run by the former Russian State Committee for the Defense Sectors of Industry, this indicator was 75 percent; the federal space program, 67 percent; and conversion credits to military industrial enterprises in 1995, 24 percent.

According to state statistics agencies, the funding of these areas of activity in 1996 is maintained at basically the same level. While the enterprises have received 50 percent of their budget targets in various forms (monetary resources, federal tax relief, and promissory notes) through defense orders, with respect to civilian programs budget funding was approximately 20 percent, with virtually no loans coming on conversion programs.

**Russia: Shore Missile Forces Take Part in Northern
Fleet Exercise**

*MM2808083296 Moscow KRASNAYA ZVEZDA
in Russian 27 Aug 96 p 1*

[Report by Andrey Gavrilenko: "Successful Northern Fleet Exercise"]

[FBIS Translated Text] KRASNAYA ZVEZDA has already talked about the Northern Fleet's operational-tactical exercise. A training cruise for surface ships and submarines was carried out from 20 through 24 August

in accordance with the comprehensive combat training plan. Interaction between the fleet's different forces was practiced.

The Navy press center announced that naval shore missile forces had conducted firing practice during the Northern Fleet exercise. Shore operational-tactical and tactical missile systems carried out 10 successful missile launches from the Rybachiy Peninsula at various targets in the Barents Sea and also as targets to provide practice for air defense divisions' missile systems and ship formations' air defense systems. Shore missile forces of the Northern, Black Sea, and Baltic Fleets and Caspian Flotilla participated in the firing practice. The troops under Colonels Sergey Slastikov, Sergey Vershkov, and Anatoliy Butenko and Lieutenant Colonels Yevgeniy Kibakin and Nikolay Kurilov achieved high marks in the combat training tasks.

Federal Assembly

Russia: Duma Official Says Yeltsin Should Control Chechen Talks

LD2708144796 Moscow INTERFAX in English
1407 GMT 27 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 27 (INTERFAX) — Russian President Boris Yeltsin should take personal control over talks now occurring in Chechnya to prevent Security Council Secretary Aleksandr Lebed from allowing the secession of Chechnya, Duma Deputy Chairman Sergey Baburin told Interfax Tuesday.

"The actions of Aleksandr Lebed and the positions he has taken give ever greater cause for indignation," said Baburin, who is acting as Duma chairman while Gennadiy Seleznev is on vacation. "Covering himself with the authority of the Russian president, Lebed is playing dangerous games with Chechnya's sovereignty, which is totally unacceptable," he said.

At the same time, Baburin said that it was hard to judge how much Lebed exceeded his powers, because the August 14 presidential decree which granted Lebed's extra powers remains unknown to the public.

Yeltsin's reluctance to meet with Lebed may be explained by his willingness to "let Gen. Lebed as a political figure calmly drown in the abyss of the Chechen issue," he suggested.

"If the events in Chechnya develop as outlined over recent days, the fact of a political crime — which could be [Chechnya's] de facto secession from Russia — will become evident," Baburin stated.

Russia: Special Parliament Session Might Discuss Chechen Situation

LD2708144296 Moscow INTERFAX in English
1406 GMT 27 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 27 (INTERFAX) — The Federation Council, the Russian parliament's upper chamber, may convene an extraordinary session to consider the situation in Chechnya, Federation Council Chairman Yegor Stroyev told reporters on Tuesday.

He said he had met Moscow-backed Head of Chechnya Doku Zavgayev, Chechen Prime Minister Nikolay Koshman and Russian Security Council Secretary Aleksandr Lebed on Tuesday.

When asked to evaluate Lebed's recent moves to settle the Chechen conflict, Stroyev said that "the negotiation process is a very complicated and multifaceted process.

"One must not limit oneself to one particular direction," he said, adding that "wisdom of all sides must get the upper hand."

The sides need to make mutual concessions in order to "stop further bloodshed," Stroyev said.

This should be the decisive factor with regard to the "actions and thoughts" of all parties concerned, he said.

Stroyev said one should neither accelerate nor slow down the negotiation process.

Regarding his meeting with Lebed, Stroyev said Lebed had told him in detail about all matters which he had to handle as the presidential envoy in Chechnya and all difficulties emerging from both sides.

"We have reached total mutual understanding," Stroyev said.

Stroyev said he believed that the Chechen problem would be discussed "in an even more detailed fashion" during his meeting with Russian Prime Minister Viktor Chernomyrdin.

Regional Affairs

Russia: Lebed Seeks Legal Advice on Proposed Peace Plan

MK2708133196 Moscow MOSKOVSKIY
KOMSOMOLET in Russian 27 Aug 96 p 1

[Report by Yuliya Kalinina: "The General Is in Need of an Expert Analysis. Bodies of Dead Soldiers Continue To Be Found in Grozny"]

[FBIS Translated Text] According to military sources, in the course of two weeks the army has lost 451

people in battles in Grozny. This figure includes only those who were registered at Severnyy Airport's mortuary. Meanwhile, new corpses continue to be found in Grozny. On Sunday [25 August], 52 bodies of dead soldiers were delivered to the mortuary. Seven more were delivered there on Monday. Some 1,264 injured servicemen were evacuated.

In comparison with these appalling figures, all of the other "Chechen" news no longer seems to be of any special significance.

The minister of culture of the "Zavgayev" government has been kidnapped. Six servicemen have been taken hostage in Shatoy Rayon. Weapons that had been seized from the federal troops the day before by some shady "stray group" of Chechens were collected. The separatist commanders have offered the federal troops their apologies and are ready to give back 70 submachine and machine guns and grenade launchers. On Monday, generals Tikhomirov and Maskhadov were to go on with negotiations on technical details related to the separation of troops and the creation of joint commandant's offices.

Though staggering, slowing down, and stumbling, the peace process still goes on, despite the fact that on Monday the Security Council secretary suspended negotiations with the separatists. The official explanation of the break is as follows: The document that will govern the mechanism for a political settlement needs to be subjected to the analysis of lawyers. In addition, Lebed needs to familiarize the Russian president and prime minister with the separatists' proposals so as to become authorized to move on in one or another direction.

In principle, the two sides have agreed that the Chechnya status problem cannot be settled at the negotiating table. In accordance with the rules of international law, the status of a state should be defined only by way of referendum, to be conducted under quiet, peaceful conditions. Should a majority of Chechens vote in favor of independence, other countries would need to have their say. The more foreign states that recognize Ichkeria [Chechnya] as an independent state, the greater the chance it will have of being recognized by the United Nations. The essence of Lebed's current shuttle trips is boiling down to the search for a mechanism for defining Chechnya's status that will be suitable to all sides in the conflict, will not contradict international law, and will be thoroughly elaborated by lawyers, so as to avoid stumbling at every step later on.

When should the referendum be carried out — now or after five years, as Chernomyrdin is suggesting? Who is to organize the voting? How are the interests of the Zavgayev government and his supporters to be

taken into account? Who will wield local power in Chechnya in the period before the referendum? All of these questions are very delicate. The answers to them should be thoroughly elaborated, all the consequences need to be well thought out, and all possibilities for ambiguous interpretation have to be eliminated. Naturally, Lebed cannot solve and foresee everything himself. Quite possibly he will still have to go back and forth many times so as to eliminate difficult issues and discrepancies.

Russia: Lebed's Peace Plan Renounces Force in Chechnya

LD2708144596 Moscow INTERFAX in English
1434 GMT 27 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 27 (Interfax) — The Russian Security Council apparatus has submitted to the presidential chancellery a comprehensive plan to settle the Chechen crisis which renounces the use of force by Russian in solving its relations with the Caucasian republic.

The Security Council also submitted a report on Security Council Secretary Aleksandr Lebed's trip to the Chechen capital of Grozny. Lebed spokesman Aleksandr Barkhatov told Interfax on Tuesday.

The Russian Security Council press service earlier reported that Lebed had received a proposal from the head of the Russian president's chancellery to turn in a comprehensive plan on Chechen settlement and a report on his latest trip to Grozny in written form.

"This package of documents should be transmitted to President Boris Yeltsin at 5:00 p.m. Tuesday," Barkhatov said.

After examining the documents, Yeltsin may decide to meet with Lebed or hold a phone conversation with him, the Security Council's press service said.

Interfax has learned some details of the plan on Chechen settlement prepared by Lebed, although the details of the plan have not been unveiled officially.

The plan is based on the renouncement of the use of military force as a method to resolve the Chechen conflict, well-informed sources told Interfax.

The plan also emphasizes the need to keep Chechnya in Russia as a territory with special status, the sources said.

The first stage of the plan envisages parallel Russian and Chechen troop withdrawal from Grozny, to be left under control of joint military commandant's offices, the sources said.

The plan does not envision immediate settlement of political problems, primarily the problem of Chechnya's status, following the cease-fire and an end to combat actions, the same sources said.

According to some sources, one of the possible compromise options proposed by the Russian side provides for postponing the settlement of the problem of Chechnya's status for a long period of up to five years.

During this transition period conditions must be created for convening a congress of all Chechen residents involving representatives of all Chechen districts and holding free democratic elections. A referendum on the status of Chechnya will become possible after the situation comes back to normal, the sources said.

However, it remains disputed whether Chechnya will have its own armed forces or whether the Chechen armed forces will be part of the Russian armed forces, the sources said.

Russia: Yeltsin Issues Instructions on Chechen Settlement Plan

LD2808153496 Moscow INTERFAX in English
1529 GMT 28 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 28 (Interfax) — Russian President Boris Yeltsin thoroughly examined the Chechnya settlement plan submitted by Security Council Secretary Aleksandr Lebed and issued corresponding instructions to all bodies involved, Presidential Press Secretary Sergey Yastrzhembskiy told Interfax Wednesday.

These instructions "provide more details to the settlement steps and consolidate the peace process in Chechnya," Yastrzhembskiy said.

Yastrzhembskiy said it represented "a sizable volume of materials."

The Chechnya issue is a "problem which cannot be solved overnight, and the new presidential instructions to this effect were given after consultations with experts," Yastrzhembskiy said.

He reiterated that he was unaware whether Yeltsin will meet with Lebed in the near future.

Nevertheless, the lack of personal contact is not an obstacle for intensifying settlement efforts in Chechnya, he said.

"There are quite a lot of channels through which Yeltsin and Lebed constantly keep in touch," Yastrzhembskiy said. "The lack of personal meetings between them should not be regarded as an obstacle for Chechnya settlement."

Russia: Lebed's Peace Plan Elicits Mixed Reaction in Moscow

MK2808111596 Moscow NEZAVISIMAYA GAZETA
in Russian 28 Aug 96 p 1

[Report by Petr Pliyev under the "Chechnya" rubric: "Russian Troops and Opposition Forces Are Due To Start Withdrawing From Grozny Today. Doku Zavgayev and His Moscow Allies Are Trying To Resist Lebed's Peace Plan"]

[FBIS Translated Excerpt] [passage omitted]

In all likelihood, the peace settlement plan that has been proposed by Lebed has left political experts, lawyers, as well as economists from the Foreign Ministry, the Nationalities Ministry, and other state structures racking their brains.

To all appearances, President Boris Yeltsin is not particularly enthusiastic about the Security Council secretary's peacemaking activity. Some experts do not rule out that the Chechen side may have proposed "something going beyond the framework of intrafederal relations."

For the time being the situation with the pro-Russian government headed by Doku Zavgayev remains uncertain. If Lebed's peace plan is approved and accepted by the Russian side, it is obvious that, for the second time in the last 5 years, Zavgayev will be "thrown over." At the same time reports have been coming from Nadterechny Rayon to the effect that followers of the current head of the republic are arming themselves. Whether a glimmer of peace will emerge on the Chechen horizon will become clear in the very near future.

Aleksandr Lebed's actions have elicited a mixed reaction from certain people in Moscow. Shmidt Dzoblayev, general secretary of the Assembly of National-Democratic and Patriotic Forces, has sent a telegram to the president and the General Prosecutor's Office of the Russian Federation, saying that "Russia's ignominious surrender to the bandits as a result of Lebed's actions amounts to the state recognition of terrorism, separatism, and support for and legalization of a criminal regime in the very heart of the Caucasus.... This has marked the beginning of the breakup of the Russian Federation and of a large-scale civil war in the North Caucasus, since the peoples of the region will not tolerate that." On top of that Shmidt Dzoblayev proposed that a conscription campaign of assembly loyalists be called for some "interior border troops" and that a petition be sent to the State Duma requesting that criminal legal action be initiated against Lebed.

**Russia: Lebed's Talks Augur Afghan-Style
Chechen Independence**

*MK2708134696 Moscow KOMMERSANT-DAILY
in Russian 27 Aug 96 p 3*

[Report by Dmitriy Kamyshev: "Peace Talks To Become Talks on the Transfer of Power"]

[FBIS Translated Excerpt] The signing of an agreement on the political settlement, scheduled by Aleksandr Lebed and Aslan Maskhadov for Sunday [25 August], has never taken place because of the need to go through a number of its provisions yet again, as the Security Council secretary put it. Judging by the fact that not only Nationalities Ministry but also Foreign Ministry experts are involved in the consultations, Moscow is currently trying to gauge whether the separatist leaders' aspirations for Chechen state sovereignty can be satisfied without going beyond the limits of the Constitution or provisions of international law. [passage omitted]

The Security Council secretary's theory regarding the cancellation of the Sunday meeting is probably closer to the truth than suggestions by the military: Judging by the details of the political agreement that have seeped into the press, even such a dauntless man as Aleksandr Lebed is unlikely to risk assuming responsibility for its signing. The reason is that the conditions on which the separatist leaders are ready "to live amicably" in Russia go beyond not only the federal Constitution but even the treaty on Tatarstan's special status, which is seen by many as the best model for future relations between Moscow and Grozny. According to INTERFAX, the Dudayevites insist, for instance, that the Chechen army should only be subordinated to their republic's leadership. Given that on top of this Chechnya is to be granted full state and judicial authority on its territory, the new situation will differ from Chechnya's de-facto independence in 1991-1994 only by Dudayev's absence.

Consultations in Moscow have already begun: Yesterday Lebed met with Chernomyrdin, and he is also intent on securing an audience with the president shortly so as to get his definitive blessing. Yeltsin, for his part, is unlikely to pronounce his last word until he learns from Nationalities Ministry and Foreign Ministry experts whether his going along with the separatists' conditions — even if they agree to delay a referendum on Chechnya's status for 5 years — will not amount to the effective recognition of its independence. All the more so because the Communists appear to be ready to exploit the Kremlin's possible lapse on this matter — for them, any manifest violation of the Constitution by the president would be a perfect present after the lost election. It cannot be ruled out that the fate of a political

settlement in Chechnya will end up in the hands of not even General Lebed, but absolutely unknown lawyers from Moscow offices, tasked with fitting the separatists' ambitions within the narrow limits of the Russian legislation.

Yet, the federal authorities' readiness to discuss even such eventualities confirms that they are now preoccupied not so much with how to keep Chechnya than with how to leave it with the least possible losses, both moral and physical. Yet more evidence of that is Moscow's complete ignoring of the stance of the Zavgayev government, which has effectively been sidelined in the negotiating process. In fact, as KOMMERSANT-DAILY experts predicted back in December 1994, we have come to the nearly full repetition of the "Afghan option": The Kremlin directly negotiates with the "Mujahedin" and withdraws its troops, after which the rebels — without particular qualms of conscience — do away with the loyalists of the pro-Moscow regime who could not go into hiding on time (by the way, according to information of the Chechen permanent mission in Moscow, executions of the "Zavgayevites" by firing squads began right after the separatists took Grozny and have continued up to this day, but the Moscow authorities prefer to turn a blind eye to that).

For this reason the current peace talks are essentially the talks on a peaceful (or relatively peaceful) transfer of power from the "good" Chechens, who have not been up to expectation, to the "bad" ones, who have deserved this gift by their nearly two-year armed opposition to the Russian military machine. Yet, as the same Afghan experience has shown, usually this does not mark an end to war.

**Russia: Tikhomirov Reports Federal Troops
Withdrawing From Chechnya**

*LD2808093096 Moscow Russian Television Network
in Russian 0700 GMT 28 Aug 96*

[Video report from the "Vesti" newscast]

[FBIS Translated Text] Vyacheslav Tikhomirov, commander of the joint group of forces in Chechnya, reports that the federal forces are fulfilling their commitments regarding the withdrawal of troops.

[Begin Tikhomirov recording] The main group of forces located in the mountain areas in Nozhay-Yurtovskiy District has been freed. There are virtually no troops there. Today we are completing the liberation of Vedenskiy District and we have two more days left in Shatoyskiy District. [end recording]

Russia: Federal Troops Withdraw, Rebels Take Over Buildings in Grozny

LD2808091296 Moscow Radio Rossii Network
in Russian 0800 GMT 28 Aug 96

[FBIS Translated Text] Our correspondent Yuri Arkhipov reports on the situation in Grozny:

[Arkhipov] Russian troops began withdrawing their burned equipment from the complex of government buildings a day early. According to military sources, about 2,000 rebels have arrived in Grozny, and a group of people dressed in the uniform of the NATO armed forces and carrying M-16 rifles was spotted in the area of the railway station. There is hardly an area left today that is controlled by the federal troops. In the city the separatists have begun setting up a Grozny administration and an independent commandant's offices. There is information that Zelimkhan Yandarbiyev's supporters are offering work to former members of Doku Zavgayev's government in the mayor's office. Some have already agreed to this.

As well as working, the rebels are also celebrating victory, dancing the ritual Zika dance in the streets.

Members of the Chechen ministry of internal affairs, who are still in the ministry building, found themselves in the most difficult situation during the latest truce. Anatoliy Taranov, minister of internal affairs in Doku Zavgayev's government, commenting on the situation in Grozny, sharply criticized the actions of [Russian Security Council Secretary] Aleksandr Lebed in Chechnya, describing what is happening as an act of betrayal. He noted that during the fighting in Grozny the Chechen ministry of internal affairs lost 26 men. Having carried out their duty to the end, the people still remaining there will leave the building today.

Russia: Chechen Rebels Said To Be Setting Up Alternative Power Structures

LD2808075596 Moscow ITAR-TASS World Service
in Russian 0730 GMT 28 Aug 96

[By ITAR-TASS correspondent Nikolay Zagnoyko]

[FBIS Translated Text] Grozny, 28 Aug (ITAR-TASS) — The armed opposition in Grozny has begun setting up power structures that are not provided for in the agreement signed in Novyye Atagi. According to the information from the headquarters of the combined group of federal troops in Chechnya, an alternative mayor's office is already operating in the republic's capital and is in turn forming its own services and departments. The new bodies have enlisted experts from Doku Zavgayev's government — power engineers,

repair and municipal services organizers — to work for them.

Meanwhile, sources at the headquarters of the combined group of federal troops in Chechnya stressed that the withdrawal of troops from Grozny, including that of the 204th separate independent motor rifle regiment, was continuing today. The overall number of military units in the city, however, is not being reduced.

According to the same source, armed opposition detachments are still arriving in Grozny from Chechnya's mountain areas. Their total strength now approaches 4,000 men. In addition to armored personnel carriers, they have tanks, self-propelled artillery mounts, and anti-aircraft guns.

Russia: Commander Says 2,000 Federal Troops To Withdraw From Grozny

LD2808074196 Moscow ITAR-TASS in English
0631 GMT 28 Aug 96

[By Boris Kipkeyev]

[FBIS Transcribed Text] Moscow, August 28 (Itar-Tass) — Chechen rebels opened fire on positions of federal troops seven times last night, including one attack in Grozny, a spokesman for Russian interior troops told Itar-Tass today.

Federal forces suffered no casualties.

Meanwhile, federal troops are to be withdrawn today from Grozny simultaneously with the pullout of rebel groups from the city's Leninskiy and Oktyabrskiy districts, a release from the Khankala headquarters of the Russian command says.

The rival forces are to go away under the accord negotiated on Tuesday by Russian top commander in Chechnya Vyacheslav Tikhomirov and Chechen military leader Aslan Maskhadov.

The Russian command said troops would continue their withdrawal from the Shatoy district of Chechnya today.

Columns have been formed to move on prescribed routes, with consideration for "technicalities" of their entering the "plain terrain".

Under the accords, federal troops are to move from mountainous areas to Stariye Atagi, Khankala, Kurchaloy, and to Dagestan, to be deployed in villages seven kilometres west of Khasavyurt.

The deputy commander of interior troops in Chechnya, General Protogen Andriyevskiy, told Itar-Tass earlier in the day that about 2,000 federal troops are to pull out from Grozny today under the time-table which foresees

moving more troops from Grozny daily until the end of August.

Russia: Lebed To Visit Chechnya by End of This Week

LD2808091896 Moscow INTERFAX in English
0903 GMT 28 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 28 (Interfax) — Russian Security Council Secretary Aleksandr Lebed will visit Chechnya by the end of this week, council spokesman Aleksandr Barkhatov told Interfax on Wednesday.

However, Barkhatov did not confirm media reports that Lebed will go to Chechnya on Thursday or Friday, adding that "the specific date of his trip has not been set yet."

"Aleksandr Lebed would like to meet with Russian President Boris Yeltsin or talk to him by telephone before he goes to Chechnya," the spokesman said.

In Chechnya, Lebed plans to meet with Chechen separatist military chief Aslan Maskhadov and separatist leader Zelimkhan Yandarbiyev.

Barkhatov did not rule out the possibility that "in the course of the upcoming trip, an agreement on the political settlement of the conflict may be signed."

Russia: Correspondent Reports on Joint Patrolling in Grozny

LD2808114396 Moscow Radio Rossii Network
in Russian 1000 GMT 28 Aug 96

[FBIS Translated Text] Staff of joint commandants' offices began patrols in Grozny today. Our correspondent Yuriy Arkhipov reports:

[Arkhipov] Ten trucks belonging to the joint commandants' offices appeared on the city's streets today. Each one carried an eight-man detail and two officers from the Russian and Chechen side. Their tasks are to ensure order in Grozny, to prevent the emergence of possible hot spots, but, most importantly, to protect the civilian population from gangs and looters still operating in Grozny who, disguised as before in military uniforms, are engaged in robbery.

I managed to speak with the officers of one of the details. So far, they said in a conversation with me, we understand one another easily because we are carrying out one task. There are no reasons for conflict between us. This is also the view of the commandant of Grozny, Major General Vyacheslav Ovchinnikov. However, he stressed that the Chechen side is showing greater interest in this work than the Russian side.

Ovchinnikov believes that the presence of roadblocks and military fortifications in Grozny are making the work difficult. So the leadership of the joint commandants' offices have decided to ask the command of the armed forces of Ichkeria to dismantle them throughout Grozny. The commandant also told me that the information that all ammunition dumps of the main directorate of the joint staffs, including some with weapons, had been left unsupervised was untrue. Both a Russian and a Chechen post are there at the moment, though there are specific problems with settling this matter. The general did not rule out the possibility that the Chechen side might try to take possession of valuables at the dumps.

One other important detail: Refugees are returning to the city, but when the troops withdraw, no sapper subunits will be left. The danger of civilians being blown up by mines is very great.

Russia: Chechen Fighters Withdraw From Grozny to Shatoy, Bamut

LD2808114496 Moscow Radio Rossii Network
in Russian 1100 GMT 28 Aug 96

[FBIS Translated Text] Our correspondent, Yuriy Arkhipov, has just reported that the withdrawal of separatist fighters' units from Grozny has begun.

[Arkhipov] Literally a few minutes ago, after the units of the combined group of Russian federal troops started moving in the direction of Khankala, the separatist fighters' convoys also began moving out of the city. The convoys were previously based in Shatoy'skiy District [Shatoy] and in Bamut. Two convoys of fighters, having met near the former Press Ministry building, saluted each other with bursts of automatic fire. Stopping for a few minutes, they took photographs and then set off toward their temporary stationing locations.

Russian units have started working in Grozny. They are digging out dead bodies and taking them out of the city.

One can now be certain that the process of troop withdrawal, by both the Russian and the Chechen side, has now begun.

Russia: Tikhomirov: Military To Take Back Seat to MVD in Chechnya

MK2808110096 Moscow NEZAVISIMAYA GAZETA
in Russian 28 Aug 96 p 3

[Interview with Lt. Gen. Tikhomirov, commander of Russian Federation forces in Chechnya, by Oleg Blotskiy: "Reason Should Triumph. Lt. Gen. Tikhomirov Does Not Want the Military To Further Participate in

Resolving the Chechen Crisis" — datelined Khankala-Mozdok-Moscow, 25 August 1996]

[FBIS Translated Text] [Blotskiy] When you took a vacation, many thought that you were going to serve in the Moscow Military District.

[Tikhomirov] This does not correspond with reality. I had a regular holiday that was not, in effect, completed. But I hope that I will use the remaining part of it in the very near future.

[Blotskiy] How long are you planning to be in Chechnya?

[Tikhomirov] Until I have fulfilled the task that was set for me?

[Blotskiy] By whom? Aleksandr Lebed?

[Tikhomirov] There is the [defense] minister; there is the supreme commander [president], and there is also Aleksandr Ivanovich [Lebed].

[Blotskiy] How often do you communicate with the defense minister?

[Tikhomirov] Almost every day. Well, maybe I do not report the situation every day to him, but then I do this through his deputies.

[Blotskiy] Is the Russian defense minister expected to come here?

[Tikhomirov] You should ask him.

[Blotskiy] And what do you think?

[Tikhomirov] I think that this should be up to him to decide. I cannot give recommendations to the minister.

[Blotskiy] Will the Russian troops be pulled out of Chechnya?

[Tikhomirov] The troops have already started pulling out. The first convoys have left the mountain areas of Chechnya today (the day of the interview, 25 August 1996. — O.B.). In other words, we are consistently carrying out the agreements, with the exception of a little delay in Grozny, although the troops there are also ready for withdrawal.

[Blotskiy] As far as I know, the Russian side, at the joint commandant's offices in Grozny, will be represented by Internal Affairs Ministry officers. Will the army also be involved?

[Tikhomirov] The army will play no role. This has not been stipulated. Public order will be maintained by the Internal Affairs Ministry.

[Blotskiy] Will the army be present in Grozny itself?

[Tikhomirov] No, we are not planning this. The troops will be withdrawn.

[Blotskiy] As troops are pulled out of Grozny, are there any plans to leave some Russian units behind in the republic?

[Tikhomirov] At this stage we are discussing tentative plans for leaving behind the 205th and 101st Brigades. But the final result will only emerge during the negotiating process.

[Blotskiy] Where is the 101st Brigade stationed at present?

[Tikhomirov] In the city of Grozny.

[Blotskiy] In other words, it is planned to leave two Russian motorized infantry brigades on the outskirts of the Chechen capital?

[Tikhomirov] Well, this is according to the old plan. But I do not know how everything could turn out in the end.

[Blotskiy] Do you view the negotiations between Aleksandr Lebed and Aslan Maskhadov optimistically?

[Tikhomirov] I, as always, look on this process with hope. Last time I also had hopes, but perhaps not everything worked out. And still I believe that reason should triumph.

Russia: Tikhomirov, Maskhadov Meeting To Focus on Demilitarization

LD2808084496 Moscow INTERFAX in English
0807 GMT 28 Aug 96

[FBIS Transcribed Text] Grozny, Aug 28 (Interfax) — Russian troops commander in Chechnya Vyacheslav Tikhomirov and head of the Chechen rebel staff Aslan Maskhadov are slated to meet at 3 p.m. Wednesday in Novyye Atagi, 25 kilometers south of Grozny.

Both federal and rebel representatives have confirmed to Interfax that the two sides are ready for the meeting.

The meeting is expected to focus on further implementation of the cease-fire agreement, POW exchange and demilitarization of Grozny.

Servicemen of the 204th motor rifle regiment were the first to start the withdrawal from Grozny, which began Wednesday, a representative of the federal command said.

Russia: Chechens Hijack Truckload of Multiple Launcher Shells

LD2808093496 Moscow ITAR-TASS in English
0841 GMT 28 Aug 96

[By Boris Kipkeyev]

[FBIS Transcribed Text] Moscow, August 28 (Itar-Tass) — A Chechen rebel group on Tuesday night has commandeered a Russian truck carrying 40 shells for the Grad multiple launcher, military sources in Grozny told Itar-Tass today.

The rebel group halted the Ural truck near the village of Vedenov at about 8.00 p.m. and, taking the submachine-gun from the driver, "seized the truck with reactive shells and went away in an unknown direction."

The military command is looking into details of the incident.

The military said the 40 Grad shells can "make some six hectare area a mess."

Russia: Maskhadov Orders Return of Missiles Seized by Chechen Rebels

LD2808113496 Moscow ITAR-TASS World Service
in Russian 1055 GMT 28 Aug 96

[By ITAR-TASS correspondent Boris Kipkeyev]

[FBIS Translated Text] Moscow, 28 Aug (ITAR-TASS) — Aslan Maskhadov, the chief of staff of the Chechen formations, has issued an order to find the 40 missiles seized by a group of rebels on the evening of 27 August and return them to the federal side. The ITAR-TASS correspondent was told by the federal headquarters in Khankala today that the incident of the seizure of missiles for Grad launchers was not authorized by the leadership of Chechen armed formations. Aslan Maskhadov, who contacted the federal command, stressed: "The Chechen side will find the ammunition and return it."

According to information available, armed Chechens took an automatic gun from the driver and "seized the vehicle carrying the missiles and then vanished." The details of the incident are being clarified and an investigation is under way.

Military sources explained that 40 Grad missiles are capable of turning "an area of 6 hectares into rubble."

Russia: Background to Grozny Fighting Viewed

MM2808094396 Moscow KRASNAYA ZVEZDA
in Russian 28 Aug 96 pp 1, 3

[Article by Konstantin Petrov: "August in Grozny: Before and After; Did Russian Special Services Know of Attack That Was Being Prepared?"]

[FBIS Translated Text] The fighting has ended in Chechnya. Through the efforts of the opposing sides the joint military commandant's offices created to introduce order are already patrolling in Grozny and the withdrawal of Russian troops from Vedenskiy and Shatoykiy Rayons and some quarters of Grozny has already begun. There is one more chance — how many does that make? — that peace may come to long-suffering Chechen soil. Whether it will come, time will show.

Today a very great deal depends on the success of Aleksandr Lebed's mission. The Security Council secretary has taken on an extremely hard burden. Of course the attention of all mass media and the public is riveted primarily on the question of what will happen next. How will events develop? Will the question of how the Grozny drama of recent days could happen lose its topicality and acuteness? How did the gunmen prepare their attack on the city? Why did it succeed? This must be analyzed in order to draw lessons from it.

Did the Russian special services know of the attack which was being prepared on Grozny?

Yes, to judge by the reports sent to the editorial office from competent sources, they did have this information. Back on 18 July Zelimkhan Yandarbiyev, the leader of the separatists, gave the field commanders the order to destroy federal troops soldiers and officers at any opportunity. Virtually simultaneously individual gangs received the go-ahead to start combat operations proceeding from the conditions of the situation.

Nonetheless it was not believed. What new war could there be if the Russian regiments were being withdrawn from Chechnya in accordance with the plan for settling the conflict? What gunfire could there be if the federal troops in accordance with the Nazran agreements were not waging active combat operations? The soldiers and officers who had passed through the hell of the fighting in Grozny did not conceal the fact that recently they "had in general been oriented toward not provoking the breakdown of the peace negotiations." Yet meanwhile separatists disguised as civilians were infiltrating Grozny (there were checkpoints on only 30 of the 130 roads into the city). Their documents were in order (where they came from we shall discuss a little later), they had no weapons — try proving that you

had a gunman in front of you. Generously provided with money and communications, the separatists took up tactically advantageous positions in houses in advance and commanding heights on the outskirts of Grozny. Subsequently their calculations were entirely vindicated: They used the forces they had to block the internal troops subunits in the city and launched close-range combat with the relevant federal subunits, thus in fact canceling out the actions of the aircraft which in this situation could have also struck its own men.

The separatists were very well armed and equipped (almost all their guns, it emerged, had been brought into the city in advance and stored in secret depots). "Mukha" grenade throwers produced in 1995-1996, sophisticated grenades and firearms, high-quality South Korean clothing, food from Turkey, and even Red Cross medical supplies. The separatists had also learned the classic rule for attackers: It would become known later that there were three or four gunmen for each defending Russian soldier.

It is notable that from the first minutes of fighting in Grozny the separatists were struggling to reach the rail freight station where a train carrying weapons and ammunition for the Chechnya Internal Affairs Ministry [MVD] was standing. Coincidence? Hardly. Back at the very start of the fighting several dozen Chechen Republic policemen went over to the side of the "intransigents." Of course with their weapons and ammunition and, most important, a knowledge of the current situation and the disposition of units and fortified checkpoints in the city.

There are reports that there were (and are?) in the republic's MVD many people who, to put it mildly, sympathize with the Dudayevites and who took a most direct part in preparing and carrying out the seizure of Grozny. The separatists' provision with the necessary documents is the most innocuous in the extensive list of their "services." The delivery and stockpiling of weapons in the city, acts of terrorism and the kidnapping of people the gunmen did not like, and the seizure of large sums of money are on the conscience of the bandits' sympathizers. Thus, in the spring with virtually no resistance from the guards, the separatists got their hands on Chechen Republic MVD vehicles transferring money to pay pensions in Ankhoi-Martanovskiy and Nozhay-Yurtovskiy Rayons, which had signed peace agreements. Money totaling 1.5 billion rubles was being delivered just for the latter rayon.....

Matters were no better, and there is reliable information to prove it, in the rayons' law enforcement organs. One field commander stated that about 80 percent of the local rayon internal affairs department consisted of

"my people" who were only waiting for the signal to begin active operations. For all the arrogance of this statement it must be taken seriously, considering that in neighboring Argun the majority of Chechen policemen have sided with the gunmen in connection with the events in Grozny.

The present situation in Grozny and indeed throughout Chechnya, despite a number of serious steps taken by the sides is so far, unfortunately, not becoming any less complex. Or any safer for the Russian servicemen. Their lives are still under daily threat. From whom? The Chechen separatists deny they are involved in the regular shooting of the federal troops' positions and the attacks on their convoys. According to the gunmen's leaders this is the work of individual gangs not under Maskhadov's control. But are there not too many of these attacks, judging merely by the events of recent days?

All these events, if you really stretched the point, could be called the "costs" of the protracted confrontation between the two warring sides which have lost an enormous number of people were it not for one "but." Back after the first series of talks between the Security Council secretary and the separatists and the peace agreement, Maskhadov, the gunmen's chief of staff, issued an order for the "Ichkeriya Armed Forces": As of 0800 hours on 14 August they should cease the fighting. But later, it became known to the federal side, there were other instructions: To shoot at the slightest movement on the Russian positions!

An hour later a field commander stated on the air: "We shall continue to hit the Russians. But without reporting it to our superiors and to the Russians." Alas, the gunmen's threat was confirmed the same day: In Grozny in the region of the No. 9 city hospital, they seized a convoy carrying food and medical supplies. Almost simultaneously the separatists under cover of women and children "attacked" an observation post of motorized riflemen, one of whom died and four of whom were taken prisoner.

On the same day during the exchange of prisoners the gunmen's leader reported to a higher ranking staff (verbatim): "Unless the Russians withdraw their convoy from Grozny we shall not hand over the prisoners." The higher ranking staff immediately advised him: As a precaution you can "shoot up" some federal troops' equipment.

Summing up the "misunderstandings" of then and now, even if you very much want to it is hard to believe in the fortuitous nature of events which could at any moment lead to the outbreak of a new round of fighting in Chechnya.

So what next? What are the chances of peace? What kind of peace? In exchange for what? Questions, questions.... Analysts answer them in different ways. The military, scorched by the fire of past and recent battles, have little optimism. And one can understand them: Too high a price has been paid for the endless political maneuvers in Chechnya and there are too many examples of the blood of their comrades, commanders and subordinates, being shed in vain.

And what about the hope of peace? There is hope. A timid, cautious hope penetrating the ashes of losses and the cinders of doubts. A frail and delicate shoot....

Economic Issues

Russia: Half-Year Combined Budget Deficit Totals 5.5 Percent of GDP

LD2708164396 Moscow INTERFAX in English
1630 GMT 27 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 27 (INTERFAX) — The deficit of the combined Russian budget at all levels of government totalled 59 trillion rubles, or 5.5 percent of the gross domestic product (GDP), in the first half of 1996, officials at the Russian State Statistics Committee told Interfax.

The federal budget deficit totalled 4 percent of the GDP and deficits of regional budgets — 1.5 percent.

The Committee estimates the revenues of the combined budget at 233.5 trillion rubles (21.9 percent of the GDP), of the federal budget at 115 trillion rubles (10.8 percent) and of territorial budgets at 133.9 trillion rubles (12.6 percent).

Tax returns accounted for 81 percent of combined budget revenues, and nontax payments for 13 percent. The value-added tax accounted for the single largest share of revenues (23.3 percent of the total revenues, up from 23.2 percent for the same period in 1995), while the profit tax — for 19.8 percent (29.8 percent over the same period last year), the income tax on individuals — for 10.7 percent (8.6 percent for the same period in 1995) and excise duties — for 5.9 percent (5.3 percent in the first half of 1995).

Foreign economic activities were one of the major sources of nontax revenues of the combined budget, totalling 10.5 trillion rubles, or 4.5 percent of all budget revenues.

The sale of state property in the first half of 1996 brought 1.3 trillion rubles, accounting for 0.6 percent of total budget revenues. They totalled 0.4 percent of budget revenues in the first half of 1995.

Nonpayments to the combined budget totalled 79.5 trillion rubles as of July 1, 1996.

The expenditure of the combined budget in the first half of 1996 totalled 292.5 trillion rubles (27.4 percent of the GDP), while federal budget expenditures totalled 157.8 trillion rubles (14.8 percent of the GDP) and the expenditure of regional budgets — 150.1 trillion rubles (14.1 percent of the GDP). According to the committee, 59.9 percent of all budget expenditures were used to support various industries and separate economic entities, social and cultural measures, national defense, government activities and law enforcement.

Russia: Banking Association Appeals to Chernomyrdin, Lebed

LD2808104496 Moscow INTERFAX in English
1002 GMT 28 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 28 (FIA-INTERFAX) — The Rossiya association of Russian banks of the Proimstroybank group of industrial and construction banks, which unites more than 80 credit organizations, has sent a letter to Russian Prime Minister Viktor Chernomyrdin and Secretary of the Russian Security Council Aleksandr Lebed. The letter is entitled: "On the State Strategy of Russian Banks' Involvement in Reviving Production and Investment Activity."

The document, circulated by the Association's Information and Public Relations Center on Wednesday, says that a situation may arise "when the group of banks, traditionally dealing with processing, energy, defense, construction, transportation and communications enterprises, which are experiencing extremely serious financial problems, will terminate their activity and stop extending credits to them." As a result, production at these and related enterprises may collapse and the socioeconomic situation in the regions where the said enterprises are located may seriously deteriorate, the letter says.

The authors believe that in the current setting, one of the main ways of implementing the strategy of Russia's economic security is to adjust the industrial, budget, taxing, crediting and monetary policies and reorient them to the invigoration of production and investment activity. As far as the banks are concerned, a strategy should be shaped that would be aimed, in a medium-term perspective, at the transformation of universal commercial banks into a system consisting of two types of banks: commercial and investment ones (i.e. development banks).

As it is impossible to reorganize part of the commercial banks into investment banks immediately, a law should be adopted on organizing a group of investment-commercial banks, the Association writes.

The Association is convinced that the establishment of a group of investment-commercial banks may help ward off the danger of economic catastrophe in Russia.

Russia: Money Supply Growth Exceeds Consumer Price Increases

LD2808094996 Moscow INTERFAX in English
0847 GMT 28 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 28 (INTERFAX) — The rate of money supply growth in the first half of 1996 (M2 aggregate) stood at 120.9 percent, 4.6 percentage points higher than the rate of consumer price rise. In June the money supply increased by 5 percent and prices by only 1.2 percent, Russia's Central Bank writes in the latest issue of the weekly *Vestnik Banka Rossii*.

Experts at the Interfax Center for Economic Analysis believe that the situation points to a diminishing cash deficit in the Russian economy. At the same time, these figures do not give grounds for considering the Central Bank's monetary and credit policy extremely rigid.

According to the Central Bank, the M2 aggregate (the circulating cash and current accounts and time deposits of legal entities and individuals, in ruble terms) increased to 266.8 trillion rubles by July 1, 1996, which is 46.1 trillion rubles more than at the beginning of the year.

Indicatively, in the first half, the circulating cash (MO) grew at an accelerated rate: the average monthly increase stood at 4.4 percent, whereas the average monthly increase in noncash capital stood at 2.5 percent.

As a result, the share of cash in the money supply amounted to 39.1 percent as of July 1. The minimal share of cash in 1996 was registered on February 1 at 34.8 percent. Experts at the Interfax Center for Economic Analysis note that the increase in the share of cash was a consequence of the implementation by the government of election social pledges.

Russia: Price of 'Victory Over Inflation' Viewed

MM2708141896 Moscow FINANSOVYYE IZVESTIYA in Russian 27 Aug 96 p II

[Article by Yevgeniy Vasilchuk: "Struggle Against Inflation Costs Economy Dear"]

[FBIS Translated Text] Last week the government won an official victory over inflation. From 13 through 19 August 1996 for the first time in the course of the reforms a reduction in consumer prices — of 0.1 percent — was recorded.

In the opinion of the majority of independent and even some official experts a leading role in suppressing inflation was played by factors of the noninflationary financing of the budget deficit, seasonal fluctuations, and shortcomings in the method of structuring and calculating the consumer prices index.

According to numerous assessments August or at least September should be a month in which inflation is somewhat intensified. This was indicated in particular by the preceding dynamics of the main money supply indicators. Back in early August the official prediction for the monthly rise in consumer prices was 0.5-0.7 percent. Now it has hastily been amended to nil. Moreover, a phenomenal forecast for annual inflation has been published — 16 percent.

Over the entire first six months of the year prices rose 15.5 percent and in July they rose by a further 0.7 percent. Thus the annual inflation limit has already been exhausted. Matters will hardly reach the point of large-scale deflation. The resumption of the rise in prices will on the contrary attest to the government's retreat. There is nothing left for inflation to do but to leave Russia. It seems that not a single country with a market type of economic structure has managed to achieve such results in postwar world economic history.

The victory over inflation had a high price. If the GDP deflator is not allowed to differ substantially from the consumer prices index then the nominal size of the Russian Gross Production in 1996 will be about 1,900 trillion rubles [R] instead of 2,100 trillion according to the revised forecast. The GDP deflator in the first half of the year was 182 percent. That is 10.5 percent of average monthly inflation (compared to the first half of 1995).

The annual increase in real GDP was initially anticipated at 2.6 percent and then at 1.5 percent. Instead in the first half of the year GDP declined 5 percent. For next year it is planned to increase the nominal GDP to R2,700 trillion. Here the accounting base for GDP in 1996 cannot be less than R2,400 trillion.

In turn the unsatisfactory execution of this year's budget casts doubt on the attainment of the parameter contained in the law on the budget whereby the budget deficit is 3.85 percent of GDP. The resumption of an intensive dynamic or a review of previous estimates of GDP could be a way out of the situation which has taken shape. Otherwise it will be hard to "close" the R300 trillion gap (at worst R500 trillion) in the dynamic of this year's GDP.

It will be hard to achieve this. The situation of enterprises in the real and financial sectors of the economy

has deteriorated substantially compared with 1995. Under pressure from restrictions on demand the profit norm and mass are declining and nonpayments and wages arrears are rising and there has been a marked leap in unemployment.

The servicing of the state debt will cost the treasury R85 trillion in 1997, which is tantamount to an increase in the budget deficit. In an inefficient economy financial stabilization results in a grave structural crisis at the level of enterprises, sectors, and regions. The center can still restrict the tax free-for-all and lobbying claims of the former. But it now has virtually nothing to counter the inevitable intensification of the regions' centrifugal aspirations.

Russia: Livshits: Income Tax To Apply to All Monetary Incomes

MM2708153196 Moscow ROSSIYSKAYA GAZETA
in Russian 27 Aug 96 p 1

[Unattributed report: "We Should Not Be Offensive, We Should Share"]

[FBIS Translated Text] On Sunday Aleksandr Livshits, vice premier and finance minister, convened an urgent press conference to clarify interpretations of the presidential edict: "On Streamlining the Collection of Income Tax and Insurance From Individuals." The greatest debate, which was sometimes scandalous in nature, was prompted by the paragraph whereby income tax is supposedly levied on all citizens' monetary incomes. Aleksandr Livshits clarified this point.

Tax and insurance contributions in the very near future, Aleksandr Yakovlevich assured us, will continue to be levied in accordance with existing legislation whereby, as is well known, income from bank deposits is not taxable.

Incidentally, Livshits added, on 31 August a legislative initiative proposing that bank deposit interest also be subject to income tax will be submitted to the Duma along with next year's budget. So far it is a question of putting a stop to exotic types of cash deals — for instance, the payment of 10 million rubles [R] for a three-day business trip when income tax for the citizen on the business trip is levied at a salary, for instance, of not more than R500,000. The major task is to make income tax a tax on income rather than a tax on salary. After all, the specific feature of income tax is that it is mainly paid to local budgets and is used to pay those funded out of those budgets — doctors, librarians, teachers, and so forth.

Russia: Edict Aims To Share Tax Burden Fairly

MM2808081496 Moscow ROSSIYSKIYE VESTI
in Russian 27 Aug 96 p 1

[Article by Aleksandr Livshits, deputy premier and finance minister, commenting on presidential edict: "On Regulating the Collection of Income Tax and Insurance Payments From Individuals: Income Tax Must Be Levied on Income, Not on Pay"]

[FBIS Translated Text] There will be no sensations. Just read the text of the edict carefully. Point two, which sparked off such a widespread reaction, identified a large area of tax avoidance. So everyone decided that tomorrow they would be fleeced, they would have money taken away.... But this area is bound by the words "within the law," that is the Law on Income Tax. In that case the area marked out by the edict immediately loses the part which we would like to tax, but unfortunately the law does not allow it. So the edict is directed at the smaller section of tax avoiders. And if it causes them irritation, alas and alack, we can do nothing about that. Indeed, the tax law does have to be implemented....

No one else has the kind of tax system Russia has — with so many gaps and loopholes, with so many opportunities for not paying. For instance, you ask someone: "How much do you make?" He replies: "Ten million." "And what is your pay?" "Half a million." "How do you manage that?" "Quite simple: I get the 10 million in interest on a bank deposit...."

This interest, although it is personal income, cannot be taxed at the moment. So says the Law on Income Tax. You cannot tax expenses, payments on bills.... Yet 90 percent of income tax goes to local budgets. This is the money on which librarians, teachers, and doctors live. So it is natural for the executive authorities to want to make income tax a tax on income, not on pay.

The edict itself does not say that the moment it is signed the tax services will immediately start collecting arrears. There is a Law "On Income Tax on Individuals" and there is a corresponding State Tax Service instruction on how to levy, deduct, and pay it. So this instruction has not been altered yet, but the altered one has been registered with the Justice Ministry to bring it into line with the law; everything is as it was. Even after the instruction has been registered, taxes will only be collected within the framework of the law.

Even full implementation of the edict will not have a strong impact, but the budget will get something under the law. And it is high time we exercised basic tax and budget discipline. There is no other way to achieve normal tax reform, which, as far as I am

concerned, certainly involves reducing the tax burden. The sequence of events is as follows: Carry out the law, and when we see this happening on a large scale we will start reducing rates. Don't be a creep. Pay your share! What we want to do is help the rich to share with those who are entirely dependent on the budget, on tax collection....

Russia: Lax Drafting of Tax Edict Criticized

MM2808092196 Moscow IZVESTIYA in Russian
24 Aug 96 p 2

[Report by Mikhail Berger and Andrey Rumyantsev: "We Are Not Idiots, Finance Ministry Staffers Told Us, Assuring Us They Had Nothing To Do With the Absurd Formulas in the Presidential Edict on Taxation"]

[FBIS Translated Text] Indeed, the edict plunged many people into perplexed confusion. The initial simple reaction was: They are a bunch of idiots, aren't they?

The edict, signed by the president, incidentally, 18 August — a Sunday — consists of just four points. It provides that income tax be imposed on ALL receipts into citizens' personal accounts on the basis of any types of payment documents. In other words, if you send a holiday money order to your dear grandmother, income tax will be deducted from it when the order is cashed at the post office. Crazy? But this is what follows from the text of the edict.

Lots of puzzled questions arise. What if, before being transferred to a bank, a sum has been cleared with regard to tax, that is, if the accounts department of a company or organization has already deducted all the taxes? When you receive money from your account are you supposed to pay all the taxes again? If you follow the text of the edict — so far there are no other official documents on the subject — there is indeed no reason why taxes should not be deducted twice, three times, and so on.

One of the edict's points says: Tax payments and insurance contributions are made by the payers of these monies. Who are these payers? Quite clearly, they are not the recipients of the money. It is unlikely that the senders of the money are meant by this word. One possibility remains — the banks themselves. At any rate, the possibility of ambiguous interpretation of the legal norm indicates flagrant deficiencies in the legal drafting itself.

The absurdities are so plentiful that the Ministry of Finance spent Thursday and Friday doing nothing but provide explanations on the edict, stating that citizens' pension accounts in banks, insurance payments, and

interest on deposits will continue not to be liable to income tax.

It is absolutely impossible to guess this or any other reassuring provisions which the new edict does not affect because none of this follows from the text of the document itself.

History of the question. A little less than a year ago the government set up an interdepartmental commission to combat undeclared cash in circulation. The commission comprised representatives of the Ministry of Finance, State Tax Service, Ministry of the Economy, and Central Bank. This commission can be regarded as something like the primogenitor of the ill-starred edict and of seven others signed by the president this week. The commission formulated proposals and passed them on to working groups, operational headquarters, and the government and presidential staffs. Each of these bodies and apparatus "way stations" left its imprint, and the result is a picture whose painter is practically impossible to find.

The intentions were good. "Do you find it fair," Mikhail Khazin, one of the members of the commission "on combating cash" and head of the Ministry of the Economy Credit Policy Department, says, "that teachers or physicians pay income tax on their 200,000-300,000 rubles a month whereas bankers who receive thousands of dollars a month do not pay tax on this? Today a bank or any other organization can grant an employee a loan at low or zero interest and then put the money in a deposit account, so the employee receives tax-free interest. Indeed, this is now being very widely practiced. Our commission's proposals were aimed precisely against such tricks.

"Another problem we tried to solve," Khazin continues, "is the absence of any restrictions on the receipt of cash for individuals. Companies simply transfer money, any amount of money, to the accounts of private individuals or give them payment documents payable to the bearer, and a most powerful channel for cash transactions emerges with no room for taxes at all. In theory, the edict should break the existing system of tax-free payments of extremely high salaries and close the channels for undeclared cash."

Good intentions realized in a vague, ambiguous, and scary edict cannot give rise to anything but an outcry and will only delay the achievement of the supposed goals.

The Ministry of Finance and Ministry of the Economy tried to reassure us by saying that the edict is not direct-acting, that is, it will enter into force only once the State Tax Service and other interested departments have

issued special instructions. And that in those instructions nobody will allow the stupidity of double taxation or of the levying of taxes on pensions.

However, first, there are no guarantees that the elaborators of the instructions will avoid stupidities. The numerous anonymous authors who drafted the edict also probably did not want to perpetrate stupidities. But the result is a botched job that should never have seen the light of day. Second, the departmental instructions accompanying the edict are not published all that widely and will hardly fulfill the role of "correction of mistakes," at any rate in the eyes of the public.

We can only wonder at a system for preparing and drafting major state documents whereby each individual involved says sensible things, but the collective product requires work to eliminate stupidities on the very day it appears.

Russia: Oil Production Slightly Down on 1995
MM2708135696 Moscow KOMSOMOLSKAYA
PRAVDA ('Business Tuesday' section) in Russian
27 Aug 96 p 1

[Unattributed report under the "News" rubric: "We Have Oil and Gas"]

[FBIS Translated Text] The volume of oil and gas condensate extraction in Russia during January-July 1996 totaled 175,206,000 tonnes. This is 2.2 percent less than production during the same period in 1995. According to State Committee for Statistics figures, natural gas extraction during the first seven months of this year totaled 339 billion cubic meters. Of this, the Gazprom Russian Joint-Stock Company accounts for 332.3 billion cubic meters.

International Affairs

Ukraine: Udovenko Comments on Nuclear Cooperation With U.S. Senator

LD2808120096 Moscow INTERFAX in English
1105 GMT 28 Aug 96

[FBIS Transcribed Text] KIEV, Aug 28 (Interfax-Ukraine) — The results of the upcoming presidential election in the United States will not affect Washington's relations with Ukraine, U.S. Senator Richard G. Lugar said.

Both American parties — Republican and Democratic — intend to maintain good relations with Ukraine in the future, Lugar told journalists after his meeting with Ukrainian Foreign Minister Hennadiy Udovenko in Kiev on Wednesday.

The senator said the United States will continue its cooperation with Ukraine under the Nunn-Lugar program, adding that he expects a positive response from Congress.

Udovenko noted that the United States has fulfilled its obligations to help Ukraine dismantle its nuclear arms under the Nunn-Lugar program.

He said he was satisfied with the fruitful cooperation between Ukraine and the United States in the area of nuclear disarmament.

The minister expressed the hope that Lugar will be able to see that Ukraine is firmly determined to "move along the path of the elimination of weapons of mass destruction."

Udovenko noted that during his meeting with Lugar they also discussed relations between Ukraine and Russia. "We stressed the importance of Russian-Ukrainian relations as a factor of stability in Europe," he added.

For his part, Lugar said a ratification by Russia of the START-2 treaty is one of the most timely issues on the agenda.

Ukraine: Lazarenko Returns to Kiev, Views Moscow Talks

WS2808080896 Kiev INTELNEWS in English
0318 GMT 28 Aug 96

[FBIS Transcribed Text] Kiev, Aug. 27 — Returning Tuesday night from a two-day trip to Moscow, Prime Minister Pavlo Lazarenko told reporters gathered at Boryspil airport that Ukraine and Russia have agreed to form a joint Ukrainian-Russian commission to iron out problems related to Ukraine's VAT (Value Added Tax) on goods imported by Russia.

"The key reason for visiting Moscow is to solve mutual economic problems", Lazarenko said when he departed Kiev on Monday.

Returning late last night, Lazarenko told journalists that he is "satisfied with the results of the negotiations in Moscow," noting that three agreements were signed promoting collaboration in the areas of peaceful space exploration, scientific and technical development and plant quarantine. The Prime Minister said he will present a full report to President Leonid Kuchma, including new perspectives for resolving the conflict over the Black Sea fleet division.

While in Moscow, Lazarenko held talks with Russian Prime Minister Viktor Chernomyrdin, and officials from Russia's Defense, Economics and Finance ministries.

Ukraine: Accord With Russia To Maintain Defense Industry Links

LD2708145596 Kiev UNIAN in Ukrainian
1300 GMT 27 Aug 96

[FBIS Translated Text] Moscow, 27 Aug — The Ukrainian Ministry for Machine-building, the Military-Industrial Complex and Conversion and the Russian Ministry for the Defense Industry have signed a cooperation agreement to preserve links between defense enterprises. The document was signed by Valeriy Malev, Ukrainian minister of machine-building, the military-industrial complex and conversion, during a visit to Moscow by a Ukrainian government delegation led by Prime Minister Pavlo Lazarenko.

According to Malev, the agreement envisages continuing cooperation in aviation and space, shipbuilding, and the manufacture of radio communication devices. He added that the agreement will help in avoiding extra costs, such as customs duties and VAT, which hindered joint products in competing on the world market.

National Affairs

Ukraine: Crimean Speaker Describes Kidnapping, Escape

MM2708162796 Moscow TRUD in Russian
27 Aug 96 p 1

[Unattributed report: "Strange Kidnapping of Speaker"]

[FBIS Translated Text] Simferopol — Crimean Parliamentary Speaker Yevgeniy Suprunyuk believes that his kidnapping was of a political nature. Anushavan Danelyan, deputy head of the autonomous formation's parliament, reported this at an extraordinary sitting of the Crimean Supreme Council yesterday. An investigation into the kidnapping is under way.

On the night of 25 August the parliamentary speaker of the autonomous formation was kidnapped by strangers, but after spending a day in a cellar in a dacha village near Krasnoperekopsk (approximately 100 km from Simferopol) he managed to escape. At present Suprunyuk is undergoing a hospital examination, and doctors have noted numerous bruises on his head and body, Danelyan has reported.

From what he said, the day before he was kidnapped Suprunyuk flew in from Kiev in the evening and went from the airport to the parliament, where he stayed until late. At around midnight he went home. He said goodbye to his driver and bodyguard in the driveway.

Nothing was known about the Crimean parliamentary speaker's whereabouts until yesterday morning. Between 0300 and 0400 Suprunyuk telephoned the Supreme Council reception, reported that he was at Krasnoperekopsk railroad station, and asked for a car to come and collect him. Anushavan Danelyan made his way there with two police cars. But the speaker's adviser, Dmitriy Guldich, was there first, and he picked Suprunyuk up near the station. It was only when they reached Simferopol that he recovered and started talking about what had happened to him.

....Walking into the driveway outside his house, Yevgeniy Suprunyuk had met a man in police uniform who had given him a warning sign. A few steps further the head of the parliament had seen a couple embracing. Freeing herself from the man's arms, the woman moved toward Suprunyuk with the words: "I have been waiting for you for a long time," and he felt a gun against his side. He was then given the order: "Come out of the driveway, but quietly, or we will blow everything up."

The parliamentary speaker was taken blindfold to the mountains beyond Bakhchisaray in a Zaporozhets car. Suprunyuk was made to get out of the car in a dacha village near Krasnoperekopsk and was locked in a cellar, where he spent the whole day. In the night he was taken outside and made to get back into the Zaporozhets. The guard was driving the car with one hand, and pointing a revolver at the captive with the other. When the guard's attention was distracted slightly Suprunyuk was able to grab the weapon from him and hit him.

Having walked for four hours, avoiding well-lit places, Suprunyuk reached Krasnoperekopsk. Not far from the city he was picked up by a motorcyclist, who took him to the station.

Ukraine: Crimean Speaker's Health 'Quite Serious' After Kidnapping

LD2708194696 Moscow Radiostantsiya Ekho Moskvyy in Russian 1800 GMT 27 Aug 96

[FBIS Translated Text] Yevhen Suprunyuk, speaker of the Crimean Parliament, is undergoing a thorough medical examination at a hospital in Simferopol. We have already reported that on 24 August, unknown persons kidnapped Suprunyuk, but he managed to escape. Doctors have assessed his condition as quite serious, Oleg Khomenok, head of the Crimean parliament press service, reported to our radio station.

[Begin Khomenok recording] Today, Crimean Health Minister Andrey Pidayev signed a medical report, which was presented to correspondents by Deputy Speaker Anushevan Danelyan. The medical report says that Yevhen Suprunyuk's condition is quite serious. He is suffering from a contusion of the brain, he has a hairline fracture at the back of his head on the right side, a contusion of the soft facial tissue, a contusion and a hematuria — hemorrhage of the right kidney. At the moment a blood analysis is being completed, since it is suspected that the speaker of the Crimean parliament has been forcefully injected with chemical preparations.

In accordance with the doctors' report, Yevhen Suprunyuk needs to stay in bed for at least 25 days. Doctors believe that the consequences of the injuries sustained may be unpredictable if the bed rest or treatment are not observed. [end recording]

Ukraine: Crimean Opposition Doubts Speaker's Abduction Story

WS2808081596 Kiev INTELNEWS in English 0318 GMT 28 Aug 96

[FBIS Transcribed Text] Simferopol, Aug. 27 — The opposition block within the Crimean Parliament, speaking at a joint press conference on Tuesday, said they doubted that this weekend's alleged abduction and escape of Parliament Speaker Yevhen Suprunyuk was real, and they announced that they will continue their efforts to discharge Suprunyuk and replace him with their collective candidate, Vasyl Kisilev, who is the present director of the collective farming plant Druzhba Narodov (Friendship of the Nation).

Faction leaders of the opposition announced Tuesday that they would form a new block and insist on Suprunyuk's dismissal. They plan to conduct an irregular plenary session Wednesday on the dismissal of the Speaker, because in the words of faction leader Yuriy Podkopyayev, "The Crimean Parliament's leadership tries to exceed their commission and even usurp power".

At Tuesday's press conference, faction leader Serhiy Tsekov said, "The current crisis in Crimea connects with the adventurist and amoral activity of the Parliament's leadership".

"We have agreed," Tsekov stated, "that stability in Crimea will not be possible until the present leadership, first of all Suprunyuk, is discharged."

Leaders of the current opposition block include Serhiy Tsekov (the faction of Republican Party of Crimea), Anatoliy Feofilaktov (Rossiya-Yedinstvo [Russia-Unity]), Oleh Kirillov (Soyuz [Union]), Yuriy Podkopayev (the Deputy Chairman of the faction Slavianskiy Soyuz [Slavic Union]), Volodymyr Klychnikov (deputy's group Respublika [Republic]).

Volodymyr Klychnikov said that "Suprunyuk's kidnapping is simply a dirty provocation and intrigue against the session scheduled on Wednesday to discharge him".

"Now [Parliament's] leadership is focused on political plays only," Oleh Kirillov said.

The faction leaders expressed unanimous skepticism over Suprunyuk's alleged abduction, and Podkopayev questioned Deputy Chairman Anushavan Danelyan's decision to retrieve Suprunyuk in Krasnoperekopsk without an accompanying guard.

Klychnikov told the press that he did not believe the alleged kidnappers could have driven Suprunyuk blindfolded through Crimea without being stopped by militia.

Deputy Volodymyr Zaskoka charged that, "The militia is under the press, and a special deputy's group to study this case has been created to influence the investigation".

The opposition block has also refused to dismiss Prime Minister Arkadiy Demydenko (it has become somewhat customary to dismiss Prime Ministers every six months in Crimea).

Ukraine: Opposition Factions Demand Speaker's Resignation

LD2808082396 Moscow ITAR-TASS in English
0541 GMT 28 Aug 96

[By Lev Ryabchikov]

[FBIS Transcribed Text] Simferopol, August 28 (Itar-Tass) — Opposition factions of the Crimean parliament, including the Russia-Unity, the Crimean Republican Party, Soyuz (Union), the Republic group and some independent lawmakers, are expected to hold a meeting on Wednesday to announce their no-confidence vote to parliament speaker Yevgeniy Suprunyuk.

If they succeed to gather the necessary number of deputies, who are currently on summer vacations, an extraordinary session will be announced to address to this issue.

The opposition intends to propose to the post chairman of the Druzhba Narodov (Friendship of Peoples) company Vasilii Kiselev.

Ukraine: National Security Official Comments on Plans

WS2808092096 Kiev KYIVSKA PRAVDA
in Ukrainian 23 Aug 96 pp 1, 2

["Exclusive" interview with Ihor Binko, head of the general security problems department at the Ukrainian Institute of Strategic Studies at the Ukrainian National Security and Defense Council, by Yu. Nepomnyashcha; place and date not given: "Only a Country That Can Defend Itself Is Strong"]

[FBIS Translated Text] The Ukrainian nation is one of the oldest in Europe. But our independence is as young as a child. How much drama is hiding behind these two words — old and young. We once were independent and we have written several constitutions. However, we lost all of it during various twists of history. For historians, there is hardly a more important task than answering "why?" But it is equally important to know whether we can preserve our state now. Do we know, or keep track, of everything happening in the complex area, which resembles a living organism, surrounding the entire Ukraine and called national security? By the way, tomorrow will be the holiday of those in charge of national security, too, because their work began with Ukrainian independence.

[Nepomnyashcha] Can one say that Ukrainian national security was created in the wilderness, a more desolate wilderness than in the diplomatic or military spheres?

[Binko] This is exactly so. After proclaiming its independence, Ukraine found itself confronted with many problems, national security being one of the most important of them. It required immediate attention because, on the one hand, the range of our national interests was steadily growing and, on the other hand, so were internal and external threats to them.

This is where many difficulties awaited us. First, there was no legal basis. Second, there was no general theory as to how national security could be built with the help of a systematic study of problems related to ensuring the interests of the individual, society, and the state. Third, relevant specialists were nowhere to be seen. The absence of all this led to serious miscalculations both

in the national security sphere itself and in defining the main thrusts of Ukraine's domestic and foreign policies. And since everything I have just mentioned is not an isolated thing in itself but impacts on all spheres of life, the ripple effect went farther, resulting in the economic crisis, rampaging crime, and political and social tension in society.

[Nepomnyashcha] Why in the former Soviet Union did security mean the state and in Ukraine it is national? Does this mean that different things were protected then and now?

[Binko] Not just different, but fundamentally different! Back then, the state was the top priority. In our country, however, national security protects in the first place an individual and society, and then the state. Here is another difficulty that we encountered at the beginning: we could not employ traditional approaches of the Soviet Union, because state security in that country came down only to the improvement of its protective functions — a strong Army, KGB, and so on. This was a primitive concept. Taking into consideration only narrow departmental interests leads to duplication, additional costs, and in some cases a worsening of negative consequences.

[Nepomnyashcha] Then from where did you start, so to say, in "theory?"

[Binko] We had to correctly define our national interests. Why? Because for any country, they are a basis on which to form its political goals. Mistakes in this sphere create all sorts of problems and even jeopardize the very existence of the state.

Thanks to a poll of experts, the priority national interests of Ukraine, conditioned by the present situation, were defined. Let me name some of those at the top of the list:

- overcoming the economic crisis (that is, economic reconstruction, development of socially oriented market relations, creation of normal living conditions for people, and so on);
- ensuring state sovereignty, territorial integrity, and inviolability of borders;
- reaching national accord, social and political stability....

[Nepomnyashcha] Do you agree with the experts who say that the shadow economy is the number one threat to our national interests? I think that this is a very fitting question on the eve of Independence Day — you feel more comfortable when you know everything about your house....

[Binko] A system analysis of the situation in Ukraine gives grounds to state that its national interests are most of all endangered by internal threats.

For the first time ever, I am naming them in the press, in your paper, by their seriousness.

Indeed, the criminalization of society and the growing shadow economy take first place. These threats account for at least 99 percent of all threats.

Then follow:

- the declining standard of living;
- the imperfect foreign trade activities;
- the plummeting production and ongoing destruction of industry;
- the imperfect structure of the executive branch;
- the negative influence of the accumulated inflation potential and the lack of structural and technological balance in the economy necessary to conduct economic reforms; and others.

[Nepomnyashcha] Was crime equally dangerous at the beginning of our independence or did it top the list later? The very fact of those changes gives much food for serious thought, does it not?

[Binko] I would not say that this issue was so acute in the first years of independence. Perhaps the socio-economic threat was the biggest at that time. Let us recall hyperinflation, nose-diving standards of living....In addition, there was the standoff between power branches and social tension in the regions.

Then why did the shadow economy threat become so dangerous later? By the way, it existed also under the command economic system. The liberalization of economic processes in Ukraine boosted the shadow economy, instead of curtailing it. To a great extent, this was caused by inefficient tax, foreign trade, and currency policies. Every ministry and department did what it saw fit, making a lot of mistakes. Quite often, whole branches were driven into the "shadow." Besides, the Supreme Council failed to create a proper legal basis.

Finally, I should say that in the first years of independence we overlooked the important task of forging a single system of national security, including economic. In that situation, Ukraine started to lose its economy. Our national wealth started to flow through various channels abroad. A legitimate basis was created for the economic criminalization and accumulation of shadow capital.

Also, I would like to emphasize that one should not think that the shadow economy problem will take care

of itself as economic reforms progress. We need to develop a system of economic security. To do this, we should draft its concept for 10-20 years ahead. Second, we should set up a relevant structure handling economic security issues within the National Security and Defense Council. Similar units should appear in the government, the Interior Ministry, the Ukrainian Security Service, and the regional structure of the executive branch. Their task would be not only to analyze the situation, but also to monitor protection of priority economic interests in the hinterland.

[Nepomnyashcha] You are at a high decision-making level in the state. Your input goes to the National Security and Defense Council and then to the president. Can you say that your conclusions are completely objective?

[Binko] You know, we no longer work today the way we did in 1991 or 1992. We have made a big stride forward. The most important thing is that we now comprehensively assess the national security condition every year.

[Nepomnyashcha] Was it not the case under the previous president?

[Binko] No. This is a new approach, which should be credited to Volodymyr Horbulin, secretary of the National Security Council.

Our institute assesses national security in international, economic, military, and all other spheres.

What exactly is it that we analyze? For example, everything that creates threats and influences their strength and scale. This we analyze on a daily basis.

Ideally, however, I envision a different national security [policy]. In 1997, we will go to a new analytical stage. It is not going to be just a simple cross section, but a monitoring — a changing picture of national security, all vital interests and threats. We, of course, will need more computer equipment, a mathematical staff for that. But the resulting advantage is hard to underestimate — absolute objectivity, which means greater national security for Ukraine.

Economic Issues

Ukraine: Officials on IMF Stabilization Fund for Hryvna

WS2808092496 Kiev INTELNEWS in English
1104 GMT 27 Aug 96

[FBIS Transcribed Text] Kiev, Aug. 25 — In September, the mission of the second European department of the International Monetary Fund (IMF) will continue its work in Kiev by providing the Extended Financing Fa-

cility (EFF) loan and credit from the stabilization fund for hryvnia (Ukraine's new national currency), according to Viktor Yushchenko, the National Bank of Ukraine (NBU) Governor.

During talks with IMF representatives, which concluded on Thursday [22 August] in Kiev, an agreement was reached that the loan has to be provided by the end of 1996.

The NBU governor thinks that the hryvnia stabilization fund (\$1.5 billion, according to estimates) should be formed by the first installments of the EFF loan.

Yushchenko said that the formation of such a fund can be a part of a "long-term program." (The EFF program is expected to last up to 10 years).

"We don't need a stabilization fund for several months," said Yushchenko, when referring to the stand-by program, which is supposed to expire this year.

Ukraine and the IMF will continue talks on major state budget indicators for 1997. According to Yushchenko, the government and the NBU plan 25 percent inflation for 1996, which is supposed to boost the gross domestic product (GDP) 1.5 to 2 percent.

"This year Ukraine will be able to reach an agreement with the IMF on securing a loan for the hryvnia stabilization fund," said Roman Shepek, chairman of the Agency for Reconstruction and Development of Ukraine.

It is expected that the first installment of the loan will reach 35 percent of the total EFF credit.

Ukraine is insisting on provision of the hryvnia stabilization fund through EFF program, and not through the expiring stand-by credit line.

According to Shepek, some members of the IMF Board of Directors (representatives from Japan and Great Britain, in particular) had some specific reservations about the hryvnia stabilization fund loan.

As far as fifth and sixth installments of the stand-by loan, said Shepek, the IMF mission, which was in Kiev on August 10-23, agreed that Ukraine could obtain those installments without further discussions with the IMF Board of Directors.

Ukraine: Monetary Reform Commission States Implementation Measures

LD2708201096 Kiev UNIAN in Ukrainian
1730 GMT 27 Aug 96

[FBIS Translated Text] Kiev, 27 Aug UNIAN — The state commission for the implementation in Ukraine

of monetary reform, led by Prime Minister Pavlo Lazarenko, has confirmed measures aimed at carrying out the edict of the Ukrainian president of 25 August 1996.

The news agency UNIAN has learned at the press service of the Cabinet of Ministers that the commission had charged the Cabinet of Ministers of the Crimean Autonomous Republic, regional state administrations, Kiev and Sevastopol city state administrations, district state administrations, executive committees of town councils, regional departments of the National Bank, and commercial banks with ensuring strict implementation of the above edict.

The efforts of commissions for the implementation of the monetary reform must be directed at ensuring timely payment in hryvnya of wages, pensions, students' grants, and other allowances and at providing appropriate conditions for the population during the exchange of karbovantsi for hryvnya.

From 2 to 16 September 1996 enterprises of any form of ownership engaged in selling goods and services to the population must, without any restrictions, accept as payment both karbovantsi and hryvnya and give change, as a rule, in hryvnya and kopyka.

The commission has outlined the working regime of banks and points of exchange and the communications procedure for reporting statistical and accounting information. The Savings Bank of Ukraine, other banks and establishments that receive money from the population have been instructed to adjust in an established manner all deposits of the population, as at 2 September 1996, with relevant entries in personal accounts of citizens in the bank.

The state commission has made the heads of enterprises and organizations engaged in selling goods and services to the population personally responsible for the accuracy of the transfer of prices and tariffs and the timeliness of price changes on goods.

The state commission has ordered to change the registered amounts of assets and liabilities and statistical and accounting information of enterprises of any form of ownership as at 2 September at the established exchange rate between the karbovanets and hryvnya.

Law enforcement bodies have been instructed to take appropriate measures to maintain the necessary order during the carrying out of monetary reform.

Belarus

Belarus: U.S. Asylum for Dissidents May Not Be Regarded as 'Friendly'

WS2808080496 Minsk BELAPAN in English
0659 GMT 28 Aug 96

[FBIS Transcribed Text] Minsk, 26 August — The haste with which the U.S. Immigration and Naturalization Service made the decision to grant political asylum to Paznyak and Navumchyk is evidence of the partiality of the American authorities towards the request by the two Belarusian citizens, Valeryy Tsepkala, Belarus' First Deputy Foreign Minister, said in an interview with a correspondent of the Belarusian state news agency BELTA.

Voicing the official position of the Belarusian foreign office Mr Tsepkala pointed out that "Mr Paznyak and Mr Navumchyk had no real grounds to ask for political asylum in the U.S." According to him, the true motive of these people was "personal interests" conditioned by their desire to live in the United States, as well as "their economic interests which predominated over the interests of the party (the Belarusian Popular Front)." Stressing that the granting of political asylum may not be regarded as a friendly step in the context of Belarusian-U.S. relations the first deputy foreign minister however remarked "We do not suppose that the decision to grant political asylum to Zyanon Paznyak and Syarhey Navumchyk will adversely affect the general climate of relations between Belarus and the U.S."

Mr Tsepkala expressed the thought that the Republic of Belarus is reckoned among the countries whose citizens have no grounds to be given political asylum in another country. "We hold that the U.S. ought to have concentrated more attention on the problems of the countries where human rights are really infringed upon," he said.

Belarus: Yeltsin Sends Lukashenka Message on Nuclear Security

ID2708155096 Moscow INTERFAX in English
1531 GMT 27 Aug 96

[FBIS Transcribed Text] MINSK, Aug 27 (Interfax-West) — Russian President Boris Yeltsin has sent Belarusian President Aleksandr Lukashenko a message supporting Lukashenko's initiative to create a nuclear-free zone in Central and East Europe, the Belarusian president's press service told Interfax on Tuesday.

Yeltsin paid "great attention" to the Belarusian president's proposal, Lukashenko's press service said.

The Belarusian and Russian peoples "have realized through suffering the need to live in a world without nuclear danger, which may come close to the two countries' borders because of the plans for NATO enlargement," Yeltsin said.

"This must not be allowed," Yeltsin said, adding that "success can be achieved only as a result of the two countries' coordinated actions on this extremely important and considerable matter."

Lukashenko had proposed creating a nuclear-free zone in the center of Europe at a celebration of the liberation of Minsk from Nazi forces on July 3.

Belarus: Lukashenka To Convene Congress of Belarusian People

WS2608082796 Minsk Radio Minsk Network
in Belarusian 0400 GMT 26 Aug 96

[FBIS Translated Text] Belarusian President Alyaksandr Lukashenka will soon sign an edict on holding a Congress of the Belarusian People. As the head of state has told a BELTA correspondent, the edict will set the goal, date, and tasks of the planned forum. It is expected that approximately 6,000 people representing all Belarusian regions will participate in the congress. Alyaksandr Lukashenka said that he believes it is necessary to seek the advice of the people and discuss many current problems with them on the eve of significant public and political events which are to take place in the Republic in the immediate future.

Belarus: Lukashenka on Holding Congress of Belarusian People

WS2808094396 Minsk Radio Minsk Network
in Belarusian 0400 GMT 28 Aug 96

[FBIS Translated Text] As the "Radio Fact" program has learned, the head of our state, Alyaksandr Lukashenka, has not yet signed the edict defining the goals, tasks, and date of the Congress of Belarusian People which was proposed by the president. Nonetheless, in an interview with Belarusian Television and Radio Company correspondents, Alyaksandr Lukashenka has presented his views and revealed certain details about the preparations for this action.

[Begin Lukashenka recording in Russian] This does not have to be a congress. It is I who is labeling it this way. It can be a convention or forum of the Belarusian people, at which the most burning issues of our life will be discussed. And it will become traditional. It should be held annually. This forum will always put any authorities in their place. The people themselves will elect delegates who will arrive here and directly

present their opinions. Perhaps publicly they will not criticize us much, but [word indistinct] in the wings and during their conversations, they will give an assessment of the authorities. This will demonstrate on whom the president relies. And he relies on the people.

We have slightly postponed this popular convention. We wanted to hold it in mid-September, but managers and government members have asked me to postpone it a bit in order to finally harvest crops, achieve better results in industry, prepare for this convention in an appropriate manner, and elect delegates — 6,000 people — in a normal way. This requires very intensive preparations. Therefore, in October [words indistinct], and the edict will be signed.

Belarus: Lukashenka Rules Out Parliamentary By-Elections

WS2708132596 Minsk Radio Minsk Network
in Belarusian 1200 GMT 27 Aug 96

[FBIS Translated Text] In an interview with INTERFAX, Belarusian President Alyksandr Lukashenka has ruled out the possibility of holding the by-elections to the current parliament simultaneously with the national referendum scheduled for 7 November. As the president said, there will be a bicameral parliament in Belarus according to the draft of a new constitution. Alyksandr Lukashenka hinted that it is being planned to transform the current parliament into a national assembly in which the current deputies will work. In the president's opinion, holding the by-elections to the Supreme Soviet simultaneously with the referendum is an undertaking aimed at derailing the plebiscite.

Belarus: Parliament Presidium Approves 3 Questions for Referendum

WS2808075596 Minsk BELAPAN in English
0659 GMT 28 Aug 96

[FBIS Transcribed Text] Minsk, 27 August — Opening the August 27 session of the Presidium of the Belarusian parliament, First Deputy Chairman of the Supreme Soviet Vasil Novikaw pointed out that the national referendum proposed by the President and the parliamentary by-elections should be held without fail. In his opinion, the only problem is that it will be very difficult to confirm the date of the referendum and the questions proposed for it within a month after the President made the proposal because Parliament is still ignorant of the content of the amendments proposed into the Constitution. According to him, as soon as Parliament receives the amendments, it will immediately consider the matter.

Alyksandr Zhuk, Acting Chairman of the Central Commission for Elections and National Referenda, informed the Presidium of the problems that his Commission faced. He said that not a single local election commission had fixed a date for by-elections of deputies to local Soviets. It will be recalled that the Central Commission recommended them to hold the elections on November 26, the day of parliamentary by-elections. "This is not by mere chance," Mr Zhuk said. He remarked that owing to this, the procedure of nomination may be disorganized. Mr Zhuk added that for the time being the Commission had no grounds to accuse the Ministry of Finance of its disinclination to finance the election campaign because the first financial contribution is to have been made by September 1.

The chief of the Presidential Administration, Mikhail Myasnikovich, also present at the Presidium's session, said that according to Article 74 of the Constitution, Parliament is to fix a date for the national referendum and confirm the questions put on the voting before September 7. Mr Myasnikovich holds that "at present elections of deputies to the Supreme Soviet are not expedient." In reply to Mr Novikaw's remark that some 1.5 million voters have not yet had their representatives in the legislature, Mr Myasnikovich said that there will be no sense in their election because their destiny will not be clear. He explained that in the event that the draft amendments into the Constitution are approved in the referendum, the state government bodies will be subject to "extremely radical reform." The Supreme Soviet will be renamed into a National Assembly. The Assembly will consist of a Chamber of Representatives which will be formed by 110 members of the present Supreme Soviet, and of a Senate in which all the 6 regions and the City of Minsk will be represented by 9 persons each. Mr Myasnikovich said that the proposed amendments will provide a "mechanism for the formation of the top-level bodies of state government during a transitional period."

The session of the Supreme Soviet Presidium resulted in the carrying of a resolution on the President-proposed referendum. In the resolution the Presidium recommends Parliament to enter three questions proposed by Alyksandr Lukashenka on secret voting ballots. These questions are: 1. The transfer of the Independence Day of the Republic of Belarus (the Day of the Republic) to July 3, the day of the liberation of Belarus from Hitler invaders during the Great Patriotic War. 2. Do you support the free, without any restriction, buying and selling of land? 3. Do you support the abolition of death penalty in the Republic of Belarus? The first question is to be put on a binding national referendum, the decision of which is final and has compulsory validity on

the whole territory of the Republic of Belarus. The second and third question are to be put on a consultative referendum the decision of which is a kind of recommendation. The inclusion of the proposal for the adoption of the 1994 Constitution of the Republic of Belarus with amendments (the new edition of the Constitution of the Republic of Belarus) in the ballots will be considered by the Supreme Soviet after the draft Constitutional amendments are submitted.

Belarus: Popular Front Leaders Urge West To Defend Human Rights

WS2808081096 Minsk BELAPAN in English
0659 GMT 28 Aug 96

[FBIS Transcribed Text] Minsk, 26 August — At the August 26 news conference of the Belarusian Popular Front three statements which had been made by Zyanon Paznyak and Syarhey Navumchyk at the U.S. Congress were distributed.

In one of them the BPF leaders state the infringement of human rights in Belarus and the national discrimination against Belarusians. In their opinion, this becomes manifest in President Lukashenka's intentions to dissolve the parliament, disperse the democratic opposition and stop reform, and in the infringement of journalists' rights and the attack on the freedom of speech. In addition, the authors of the statement claim, "the Belarusian-language education system is being destroyed." "Ethnic Belarusians who are the only indigenous populace and make up 80 percent of the population of the country have found themselves in the position of a persecuted nation," the statement reads.

The BPF leaders define the national referendum proposed by President Lukashenka as an attempt to establish an antidemocratic authoritarian regime which will be passed-off as the people's will. They insist that "the intensification of anti-law actions by the executive branch in Belarus, the cynical violation of human rights constitute a threat to democracy and stability in the whole Baltic-Black Sea region of Eastern Europe" and express their wish that the Western democratic countries should have paid attention to the threat of restoration of totalitarianism in the country earlier.

In another statement titled "About Political Prisoners in Belarus" Paznyak and Navumchyk define the keeping of the 7 Ukrainians in a Minsk prison as "a kind of sadistic revenge taken by the former KGB agent (an apparent reference to Lukashenka) on the people who joined us in defending the Belarusian nation and democracy." The BPF leaders urge the Belarusian, Ukrainian, Polish and Lithuanian diasporas abroad "to raise their voice in protest against inhumanity and

violence against the Ukrainian citizens on the part of the Lukashenka regime." For the first time after the end of the Stalin regime a poet (Slavimir Adamovich) was thrown into prison in Belarus for literary activity. Paznyak and Navumchyk express hope that the Western democratic states have "enough moral, political and economic methods to defend human rights wherever they are violated."

In the third statement the BPF leaders condemn the continued war in Chechnya and express their support of the just struggle of the Chechen people for freedom and independence. They ask the West to exert pressure on Moscow in order to stop the Chechen war.

Belarus: Parties Form Organizing Committee, Plan Actions

WS2608111696 Minsk BELAPAN in English
0834 GMT 26 Aug 96

[FBIS Transcribed Text] Minsk, 23 August — On August 23, the Organising Committee of the Round-Table Forum of political parties and public organisations formed an organising committee for holding a meeting of deputies to the Supreme Soviet with their voters on September 2, the day of the beginning of the second plenary parliamentary session. The notification about the meeting, which was signed by 7 MPs representing four factions — Agrarians, Communists, Civic Action and Union of Labour — and sent to the Minsk-City Executive Committee, reads that the meeting will take place on Independence Square on September 2 from 5.30 to 7.00 p.m. The organisers suppose that the meeting will be attended by some 15,000 people. This information was given to a BELAPAN correspondent by the chairman of the organising committee, Alyaksandr Bukhvostaw.

At the August 23 session the organising committee established a procedure of the invitation of voters to the meeting with their parliamentary representatives and discussed a number of other organisational matters.

On August 22 [as received] the Minsk-City Executive Committee considered the organising committee's notification. Vasil Aktysyuk, Chief of the Legal Department at the Minsk-City Executive Committee, said in an interview with a BELAPAN correspondent that since the MPs filed a notification, not an application, the Executive Committee "could not make a decision on the point of the matter." Mr Aktysyuk stressed that according to the Law on the Status of Deputies to the Supreme Soviet, meetings of MPs with their voters should be held in their constituencies, and Independence Square is not assigned to none of the 199 MPs' constituencies. As a matter of fact, Mr Aktysyuk said, "under the guise of a

meeting with voters, they are preparing a mass demonstration on the opening day of the second session of the Supreme Soviet." However, according to the provision for the special status of Independence Square, the government and the City Executive Committee do not allow mass demonstrations on this square with the exception of those on the occasion of state holidays. That is why "the organisers will be informed that their mass demonstration on Independence Square may not be allowed," Mr Aktysyuk said.

Belarus: Results of 21 Aug Roundtable Detailed
WS2608123596 Minsk ZVYAZDA in Belarusian
22 Aug 96 pp 1,2

[Report by Tatstsyana Kalinowskaya: "Agreement Was Reached Quickly"]

[FBIS Translated Text] The "roundtable" of political parties, public organization, and state officials has shown that there are no significant disagreements among the participants.

The participants in the 21 August "roundtable" stated that the political and economic crisis is continuing in Belarus, and it may be overcome only by common efforts of all branches of power and public organizations. The "roundtable" was attended by parliament Speaker Syamyon Sharetski and Deputy Prime Minister Syarhey Linh. As he had promised, the president did not participate in the "roundtable."

The reasons for the president's absence were explained by S. Linh. "It does not suit the president to engage in a dialogue with a group of parties; he should be above political struggle." As the deputy prime minister said, there exists an economic program which has already been preliminarily discussed with the leaders of seven parties, and it is possible to implement the program together.

However, the party leaders denied this: During a meeting with Linh they were not shown any programs, and they do not agree to "accept" something they know nothing about.

The party members discussed a draft statement to be issued by the participants in the "roundtable." Although the leaders of the Social Democratic Union and the Agrarian Party suggested supporting the referendum [proposed by President Lukashenka], they proposed to include in it questions about electing the "vertical line" of executive power by all the people and granting priority status to payment of wages (a corresponding Supreme Soviet bill has not been signed by the president), as well as other everyday economic questions concerning the Belarusian people.

Representatives of the United Civic Party and the Belarusian Popular Front, Stanislaw Bahdankevich and Yuryy Khadyka, respectively, said that it is time for party members to initiate the procedure of impeaching the president. Communist leader Vasil Novikaw was concerned about the current anticommunist propaganda campaign waged in the press.

V. Novikaw said that although veterans are currently used to divide the Belarusian Communist Party, "this is an opportunity to get rid of those who have not understood everything because of their age."

It proved that the Council of Kolkhozes is not satisfied with the president's performance either. "The countryside is tired of the political struggle. We cannot put up with debts and the fact that there is no company providing spare parts for grain harvesters in the Republic, as a result of which they stand idle. Nor can we agree with the official propaganda which says that "appropriate assistance" was provided to the countryside before the harvest. This assistance amounted to 6-12 million [currency not specified] per one kolkhoz," Council of Kolkhozes Chairman Anton Yuntsevich said. It has been these problems that have brought the chairman to politics. "The countryside is tired of verbal tightrope-walking," A. Yuntsevich stated.

Syamyon Sharetski regretted that the parliament has not yet received proposed changes to the Constitution, and it is thus facing the following dilemma: how should it set a date for a referendum on questions which nobody has seen?

In a week, the participants in the "roundtable" will gather to sign the statement, and a commission in charge of drafting it was elected. The participants in the "table," except for S. Linh, signed an agreement on assuming the following responsibilities:

- to conduct all their activities within the framework of the Constitution;
- to guarantee the protection of rights and freedoms in the Republic of Belarus;
- to bring in line with the Constitution all laws and legally binding acts and decisions which have been deemed as contradicting the Constitution and current laws by the Constitutional Court;
- to unconditionally implement the law on Mass Media, guarantee their freedom, and set up a supervisory board at the National Television and Radio Company;
- within the framework of the legislation, to ensure openness in the work of the Belarusian president, Supreme Soviet, and Cabinet of Ministers; and

— to demand that [by-elections] to the Supreme Soviet and local soviets be held at the time scheduled by the Central Electoral Commission.

The participants announced that their table is "permanent."

The agreement was signed by Mechyslaw Hiruts on behalf of the Agrarian Party, Yawhen Luhn on behalf of the Belarusian Peasant Party, Svyatlana Byastuzhava on behalf of the Women Party "Nadzeya," Alyaksandr Bukhvostaw on behalf of the Labor Party, Mikola Statkevich on behalf of the Belarusian Social Democratic Assembly, Lyavon Barshchewski on behalf of the Belarusian Popular Front, Anton Yuntsevich on behalf of the Council of Kolkhozes, Syamyon Sharetski on behalf of the Supreme Soviet, Stanislaw Bahdankevich on behalf of the United Civic Party, Dzmitryy Bulakhaw on behalf of the Party of All-Belarusian Unity and Accord, Vasil Novikaw on behalf of the Belarusian Communist Party, Heorhiy Tarazevich on behalf of the Party of Popular Accord, Mikhail Prydiyand on behalf of the Environmental Party, and Syarhey Iwchyn on behalf of the Belarusian Congress of Democratic Trade Unions.

Anatol Barankevich, leader of the Belarusian Patriotic Movement, signed the document with the exception of a number of paragraphs.

Belarus: Lukashenka Issues Edicts on New Appointments

WS2608111596 *Minsk Radio Minsk Network in Belarusian* 0400 GMT 22 Aug 96

[FBIS Translated Text] Belarusian President Alyaksandr Lukashenka has signed a number of edicts on new appointments. Alyaksandr Paznyak has been appointed chairman of the Republic of Belarus State Committee for Youth. He has been given the status as first category employee of the state apparatus. Major General Yuryy Tarabryn has been appointed first deputy minister of internal affairs. He has been released from the post of deputy minister of internal affairs. Police Colonel Mikalay Lapatsik has been appointed first deputy chief of the Criminal Police Main Directorate of the Ministry of Internal Affairs. The same edict released him from the post of the chief of the Mahilow Oblast Executive Committee Department of Internal Affairs. Police Colonel Vitali Apanasevich has been appointed chief of the Mahilow Oblast Executive Committee Department of Internal Affairs. The same edict released him from the post of the chief of the Homel Oblast Executive Committee Department of Internal Affairs.

Belarus: Lukashenka Says Government To Pay Wage Arrears in Oct

LD2708125696 *Moscow ITAR-TASS in English* 1206 GMT 27 Aug 96

[By Andrey Fomin]

[FBIS Transcribed Text] Slutsk, Belarus, August 27 (Itar-Tass) — Belarus will repay, in October, wage arrears to peasants, workers of industrial enterprises, doctors and teachers, Belarusian President Alyaksandr Lukashenka said during his tour of the Slutsk district, Minsk Region. "I do not see any problem in this," he emphasized.

Lukashenka also noted that wages and salaries will be raised to workers of the republican budget sphere, above all to doctors and teachers, over the next few months.

Belarus: Statistics Ministry Reports on Wage Arrears

WS2808114396 *Minsk Radio Minsk Network in Belarusian* 0400 GMT 28 96

[FBIS Translated Excerpt] [Passage omitted] As of the end of July, the Republic's blue- and white-collar workers had not been paid 1063.3 billion [Belarusian] rubles, which accounts for 6 percent of the annual wage fund. This figure has been reported to a BELTA correspondent at the Ministry of Statistics and Analysis. Companies and organizations from Homel and Minsk Oblasts, at which every fifth and sixth employee, respectively, have not received their wages on time, have the highest arrears.

Belarus: Deputy Agriculture Minister Updates Harvest Results

WS2608084996 *Minsk BELAPAN in English* 0834 GMT 26 Aug 96

[FBIS Transcribed Text] Minsk, 23 August — Speaking at the August 22 news conference, Ivan Shakola, Deputy Minister of Agriculture and Foodstuffs, declared that the harvesting campaign in the country had entered into the final stage. As of August 21, the harvest was reaped from 1,995,400 ha [hectares] which accounted for 78 percent of all areas under crops (by that time last year this indicator was 93 percent). The Homel region is in the lead (83 percent). In the Brest region the harvest was reaped from 81 percent of areas, in the Hrodna region from 77 percent, in the Minsk region from 76 percent, and in the Vitsebsk region 66 percent. The gross yield of crops totalled 4,854,000 tonnes, the average yield per ha being 2.47 tonnes. The deputy minister expressed high hopes that the target — 6 million tonnes — would be reached. The highest level of yield is to be observed

in the Hrodna region where the Nyasvish district is in the lead (4.02 tonnes per ha). The farms "Svislach" in the Hrodna district and "Snow" in the Nyasvish district reaped 4.8-5.5 tonnes per ha.

Belarus: Foreign Economic Relations Deputy Minister Dismissed

WS2808122996 Minsk BTK Television Network in Belarusian 1800 GMT 26 Aug 96

[FBIS Translated Text] At his own request, Mikalay Pyatrovich Leshchenka has been released by edict of the Belarusian president from the post of foreign economic relations deputy minister.

Moldova

Moldova: Snegur Addresses Press Club, Favors Presidential Republic

AU2308142396 Chisinau INFOTAG in English 1930 GMT 22 Aug 96

[FBIS Transcribed Text] Chisinau, August 22 (INFO-TAG) — Moldovan President Mircea Snegur has spoken for the independence of the media, for impartial covering of the republic's political, economic and social life, and for rendering state support to the media. He stated this at the first sitting of the National Press Club held last Wednesday night [21 August].

The Club has been established under the aegis of the Moldovan Union of Journalists, and one of its sponsors is the Independent University of Moldova (ULIM). Union Chairman Valeriu Saharneanu has emphasized the necessity to protect journalists' rights and freedoms, as well as to work out a state programme for the media development. The Union of Journalists has already been working in that direction, and the Press Club will help the process, he said.

President Mircea Snegur has stated that after independence the Republic of Moldova should have been more active in conducting the economic reform. Answering journalists' questions at the National Press Club last night, the head of state said Moldova should have conducted privatization earlier and more energetically, in order to impact a powerful impulse to other reforms.

"This is clearly seen now, but then the situation was different. Moldova was in the ruble zone, had no experience in state management, and faced lots of other problems. Perhaps, there were mistakes at forming 3 governments — first, attempts were made to form a national government (Prime Minister Mircea Druc), then the government of national harmony (Valeriu Muravtschi), and, eventually, the agrarian government (Andrei Sangheli). Everybody sought to do everything in

the best way, but many mistakes were made, including at selecting personnel," the President said.

In Snegur's opinion, the biggest mistake during the 5 years of independence was the armed conflict in Dniester "initiated by interested forces from abroad."

Recalling the hard conflict days, Snegur stressed that he did not evade responsibility for the tragedy, "but the degree of my responsibility is not that great as is sought to be pictured by the conflict investigation commission set up by the Parliament."

The head of state reaffirmed his stance concerning the draft Memorandum on normalization of relations between Moldova and Dniester, having stated that "it would be inadmissible to make such a concession as Memorandum signing. There was a moment when we should have and were ready to sign it. But, really, the God does exist: The situation had been understood both by the Russian and Ukrainian Presidents. The necessity to sign the Memorandum, which is no more than a protocol of intentions, has disappeared," Snegur said.

He again stated the necessity to struggle with the phenomenon of separatism, and remarked that he shared the viewpoint of the President of Georgia, Edward Shevardnadze, on that problem, as well as the one concerning cooperation in CIS frames. President Snegur has refuted assertions of some journalists that Moldova had allegedly narrowed the Dniester settlement process down to negotiations with Russia. Having pointed out the important role played by the Russian and Ukrainian President's special envoys at the negotiations, Snegur stressed that the chief mediator in that process had been the OSCE and its Permanent Mission in Moldova.

Snegur reaffirmed intent to continue the talks with Tiraspol, for "it is much better to have long negotiations than even a short-time shooting."

Mircea Snegur has spoken out for transforming Moldova into a presidential republic. He stated at the Press Club last night he would seek that in case he was re-elected president.

He believes, after the elections it will be necessary to elect a new parliament, amend the Constitution, establish a presidential republic, which will eventually "lead to the reduction of regressive ideas and to the increase of progressive ones."

He expressed bewilderment about some assertions that, allegedly, Snegur is oriented exclusively to the West, Sangheli to the East, and Lucinschi — to Moldova alone.

"I disagree. Yes, I am for an integration with the West, but not to the detriment of our collaboration

with the East. I am for economic cooperation with all countries, for establishing new ties, and for preserving the traditional Eastern markets which are very essential for us," he stressed.

He criticized certain candidates for the presidency, having named as "unprecedented" the fact that both the Parliament chairman and prime minister are seeking the presidential mandate while the current president has the right for a second office. He pointed out that some candidates, in particular the ex-minister of security Anatol Plugaru, had launched their election campaign heading "anti-Snegur-wise."

Snegur added "there are too many people wishing to rule the country," and remarked that, eventually, everything will be clarified by the electorate. He believes the election campaign will provide a chance to improve the situation.

When a journalist said he had no doubt in Snegur's victory, the President added, "Me, too. If the Parliament chairman and prime minister lose the elections, we will have all grounds to switch to tougher measures, bearing in mind that the gentlemen have lost voters' trust," Snegur said.

He has agreed with a journalist's remark that "Moldova is a governmental republic. This is a new and a very correct definition. We have come to a situation when the government cannot be managed by either the president or Parliament. The de facto admission of two executive powers in the republic was a mistake. To this regard, I am going to undertake tough measures after the elections," he stated.

He strongly criticized the government, particularly their "inadmissible" disconnections of electric power at evening hours. In his belief, this is done deliberately, to deprive people of the possibility to watch TV information programmes. Snegur promised he would seek to cancel such a practice of energy saving.

He also named as a gross violation of law the use by the government and the Agrarian Democratic Part (PDAM) of local public organs and local papers for political, including electoral, purposes.

Moldova: Snegur Comments on Fifth Anniversary of Independence

LD2708091596 Moscow ITAR-TASS in English
0748 GMT 27 Aug 96

[By Valeriy Demidetskiy]

[FBIS Transcribed Text] Chisinau August 27 (Itar-Tass)
— Moldova marks on Tuesday the fifth anniversary of its independence. Describing the past period, Moldovan

President Mircea Snegur expressed regret that the country could not carry out economic reforms and privatization quicker as well as avoid armed conflict in the Dniester area.

Speaking to journalists at a meeting in the national press club, the Moldovan leader stressed that "the Dniester armed conflict was a mistake", and that he "does not decline responsibility for the past tragedy".

The fifth anniversary of Moldova's independence coincided with the presidential election campaign in the republic and turned this anniversary into an argument of struggle for power to some extent.

In the opinion of some politicians, Moldova has achieved impressive successes over these years: it has become a full-fledged member of the United Nations, the Organisation for Security and Cooperation in Europe, the Council of Europe and other international organisations.

The republic achieved financial stability with assistance from the International Monetary Fund and, despite economic dependence on foreign markets, raw materials and energy carriers of Russia and other former Soviet republics, is gradually paving the way to the West.

However, opponents point to the growth of unemployment, crime and falling living standards which painfully hit, above all, the aged and the needy. The republic has been unable to overcome consequences of the armed conflict and remains divided.

Half-hearted cooperation in the Commonwealth of Independent States makes it impossible to restore disrupted relations, while new borders and customs houses created unheard-of difficulties for millions of peoples wishing to go to relatives and friends.

The republic's foreign debts are a real threat to the country: Moldavian consumers owe 400 million U.S. dollars only to the Russian Gazprom company for gas deliveries.

Moldova: Snegur Views Situation Five Years After Independence

LD2708165396 Moscow INTERFAX in English
1530 GMT 27 Aug 96

[From the "Presidential Bulletin" feature; compiled by Anna Kovaleva, Nikolay Zherebtsov, Andrey Petrovakiy, and Boris Yunanov]

[FBIS Transcribed Text] [no dateline as received] Because of the 5 anniversary of Moldova's independence, President Mircea Snegur has given an exclusive interview to Interfax.

The president believes that once Moldova declared independence, it should more actively pursue economic reforms. In his opinion, "privatization should have been carried out earlier and more actively in order to give impetus to other reforms."

"This is evident today, but then the situation was different. Moldova was in the ruble zone, it was inexperienced in statehood, and had a myriad of other problems," the president stressed.

Admitting mistakes in forming three governments, he recalled that "at first, they tried to set up a national government with Mircea Druk at the head, then decided to form a national concord cabinet with Valeriy Muravskiy as prime minister, and after that an agrarian government of Andrey Sangheli came to power. With the best possible intentions in mind, they made several errors, personnel selection mistakes included."

Attributing the republic's best achievements to foreign policy, Snegur stated that Moldova had been recognized by over 140 countries, had established diplomatic ties with more than a hundred of them, had become a member of U.N., OSCE [Organization for Security and Cooperation in Europe] and other international organizations and had been the first CIS country to join the Council of Europe.

"Whence, noticeable changes in legislation, which, despite faults, has become more democratic, guaranteeing the basic human rights and freedoms," Snegur stressed, citing as an example the current presidential election campaign with ten candidates running for the presidency compared to just one candidate (Snegur — IF) at the previous presidential ballot in 1991.

According to Snegur, the past years have seen "the significantly widened circle of partners" and the desire of altogether new countries to do business with Moldova. "Simultaneously, scores of countries have over the last five years learned with surprise about Moldova's existence," Snegur said.

"Although Moldova's economic cooperation with Russia and other former Soviet republics continue to prevail over ties with the rest of the world, the share of other foreign partners has been steadily mounting," the president emphasized.

In general, he noted, economic changes have been quite impressive: first prices were liberalized, then the whole economy was set free, and after that businesses began to be privatized to enable people to work for themselves rather than for an abstract state alone.

"Suffice it to walk through Chisinau to make sure that the reforms have yielded certain results. The appearance

of new shops, including big western-style supermarkets, the abundance of food stuffs and consumer goods, hundreds of foreign cars on the streets, all this can convince even the dire skeptics that positive results are a thing of today," Snegur said.

At the same time, he admitted quite a few adverse economic factors such as rising unemployment, falling living standards, above all those of the elderly and the low-income families, increasing social insecurity, unpaid pensions and wages, the disruption of long-standing ties.

The armed conflict in Transdnester is the main mistake the republican leadership has made over five years of independence, Snegur claimed.

"The conflict was initiated by pro-imperial forces from Russia and Tiraspol, and the Moldovan leadership's mistake was its failure to avert an armed confrontation. I am glad that efforts to stem the armed conflict have succeeded, and negotiations have got under way, continuing for three years now. But I am convinced that protracted talks are better than the shortest exchange of fire," Snegur declared.

Claiming responsibility for the tragedy, he stressed that "this responsibility is not to the degree, being claimed by the special commission formed by the Moldovan parliament to investigate the causes of the conflict."

Reiterating his dislike for the draft memorandum on the normalization of relations between Moldova and Transdnester, he said that signing it would be an inadmissible concession.

"There was a moment when we were ready for that. But thank God, the presidents of Russia and Ukraine realized the situation, and the need to sign the memorandum, which is nothing more than a protocol of intentions, tapered off," Snegur said.

Calling for a fight against separatism, he said that he shares the Georgian President Shevardnadze's view both on this problem and on CIS integration.

Snegur refuted some journalists' claims Chisinau has reduced the Transdnester problem to negotiations with Russia. Noting the important role of Russian and Ukrainian presidential envoys at the talks, he described OSCE and its permanent mission in Moldova as the key mediator.

Back on the theme of presidential elections to be held in Moldova in November, Snegur called for turning the country into a presidential republic. In his opinion, the presidential ballot should be followed by the election of a new parliament, the adoption of constitutional

amendments, and the formation of a presidential republic, which in the long run, will lead to fewer regressive and more progressive ideas.

Lashing out against some presidential candidates, Snegur described as unprecedented the fact that both parliament speaker and prime minister have decided to run for president, even though the incumbent president is entitled to campaign for a second term. In saying that, he noted that yet another candidate, Anatol Plugaru, ex security minister, has launched "an anti-Snegur" election campaign.

"There are too many wishing to lead the country," Snegur said, adding that "if parliament speaker and prime minister lose the ballot, we will have ever reason to resort to tougher measures, considering that they have lost the voters' trust."

"In the situation that has come about in Moldova, the government cannot be dealt with by either the president or parliament. The acceptance of two executive branches in Moldova has actually been a mistake. In this respect, I intend to adopt tough measures after the presidential elections," Snegur said.

Moldova: Lucinschi Accused of 'Counting on Russian Mercenaries'

AU2408191296 Chisinau INFOTAG in English
2100 GMT 23 Aug 96

[FBIS Transcribed Text] Chisinau, August 23 (INFO-TAG) — "Destroyer Lucinschi Counting on Russian Mercenaries" — that's how TARA [THE COUNTRY], the weekly paper of the opposition Popular Front, has headlined its today's editorial.

It has called the Parliament Chairman "a destroyer" because, according to TARA, he is ruining the Moldovan left-wingers from inside, and by "the Russian mercenaries" the paper means "a group of emissaries from the Russian Communist Party" who, in TARA's assertion, have recently arrived in Chisinau to plunge into the Moldovan presidential election campaign, acting as "the Lucinschi team's brain center".

"Lucinschi's back in the East turns out to be much broader than even the richest imagination could portray. However, the presence of Ziuganov's political commissars in the Speaker's headquarters indicates a certain embarrassment", the opposition paper writes.

In its words, cautiousness, Lucinschi's typical trait, seems to have betrayed him when he has almost

overtly resorted to the services of the Moscow political command.

"His union with Ziuganov's communist party is an extra proof that Moscow is reinforcing the 3rd echelon of its agents of influence in Chisinau. The first two are, no doubt, the current Government of Andrei Sangheli and the Unitatea-Edinstvo Movement", TARA maintains.

In its words, Lucinschi has already destroyed almost all left-wing formations, and is now trying to do the same with Edinstvo, which can be judged from the recent statement of Vladimir Solonari, one of the leading figures in that movement, who has criticized the current Government and spoke out in favor of Lucinschi.

TARA does not rule out that in the very near future Lucinschi may well "blast up" Edinstvo together with the Moldovan Communist Party.

Moldova: Foreign Trade Turnover Rises by 36.4 Percent Since 1995

AU2308143896 Chisinau INFOTAG in English
1930 GMT 22 Aug 96

[FBIS Transcribed Text] Chisinau, August 22 (INFO-TAG) — In the first half of this year, Moldova's external trade turnover had amounted to \$890.3 million, or grew up by 36.4 percent against the same period last year, the State Department for External Economic Relations has reported.

In January through June, Moldova exported \$376.7 million worth of goods, and imported \$513.6 million. Imports exceeded exports by \$136.9 million. Compared to the previous year, the growth has been 28.8 and 42.6 percent, respectively.

Due to greater imports of machinery under credits granted by foreign banks, Moldova's negative trade balance has grown two-fold.

Like before, the lion's share of the trade turnover lies with CIS states. Exports from these countries went up by 53.7 percent, and imports by 42 percent.

Russia remains Moldova's biggest trade partner — 56.7 percent of exports and 38.8 percent of imports. Following next are Romania, Ukraine, Belarus, Germany, Italy, and the Netherlands.

Kyrgyzstan

Kyrgyzstan: Russian Deputy Commander on Border Patrol Operation

LD2508121696 Bishkek Kyrgyz Radio First Program Network in Kyrgyz 0800 GMT 24 Aug 96

[FBIS Translated Text] Major General Valeriy Avdonin, first deputy commander of the group of Russian border guards in Kyrgyzstan, has told journalists about the results of the Tien-Shan '96 large-scale special operation held on the border. The general said the operation was aimed at protecting the national interests of CIS countries; at preventing the violation of Kyrgyzstan's state border and the border zone regime and the illegal import and export of contraband, drugs, and weapons; and at improving joint operations of border guards with [word indistinct] and law-enforcement services, increasing the reliability of border monitoring.

Over 1,300 people — one-third of the republic's border troops, 76 people from voluntary patrols, and about 200 horses and 70 patrol dogs — as well as aviation took part in the operation. The results of the operation are overwhelming: 166 violators of the regime in the border monitoring zone, including six foreign tourists, were detained. Three cases of border violations — Chinese citizens grazing cattle on our territory — were revealed. About 8 kg of opium were confiscated. As a rule, hunters illegally penetrate the zone monitored by the border guards to look for trophies.

Answering journalists' questions, General Avdonin described how the confiscated drugs were being destroyed by his department. This is done under strict supervision. It is carried out in the presence of a representative of the National Security Ministry of Kyrgyzstan and is filmed.

The border guards regard the operation as having been very successful, because military discipline was not breached and there was good mutual understanding among all the services taking part, and also because the operation was profitable. The value of the haul confiscated exceeded the cost of Tien-Shan '96.

Kyrgyzstan: Party of Protection Holds Founding Congress

LD2508122496 Bishkek Kyrgyz Radio First Program Network in Russian 1130 GMT 24 Aug 96

[FBIS Translated Text] August 24 is the day of the founding congress of the Party of Protection (Partiya zashchity). The party for the protection of the interests of workers in industry and agriculture and of disadvantaged families of Kyrgyzstan intends to unite entrepreneurs within its ranks. The Union of Industrialists and Entrepreneurs and its president (Akbaraly Aitkiyev) set

up the party. As the founding declaration states, the Party of Protection will adhere to an economic and general social platform. It will be centrist in the political life of society.

Tajikistan

Tajikistan: Premier Envisages Entry Into CIS Customs Union

LD2708134596 Moscow Russian Public Television First Channel Network in Russian 0610 GMT 27 Aug 96

[From the "World of the CIS" program]

[FBIS Translated Text] Tajikistan intends to enter the customs union soon. The republic's prime minister, Yahyo Azimov, says this will happen in a few weeks:

[Begin Azimov recording] We have already prepared all the materials for the customs union. Well, we have to sign the protocols. The working commission is finalizing the settlement of the last remaining problems that have arisen in them at present. I think the document will be signed soon. [end recording]

During a meeting with [Russian deputy prime minister] Aleksey Bolshakov late last week, the sides discussed the political regulation of the Tajik conflict as well as entering the customs union. Despite the violations of the Ashgabat accords, the government is ready to put forward new initiatives to emerge from the deep-rooted crisis peacefully.

[Begin Azimov recording] We could obviously gather at a round table once again and, I would say, discuss everything thoroughly. I think everything will be solved. [end recording]

Touching on economic cooperation, Yahyo Azimov spoke about the readiness to attract Russian firms interested in exploiting the mineral deposits of the republic. Tajikistan, moreover, of all the republics of the former Soviet Union, is in acute need of investment. It is gratifying in this context that the government is looking for potential partners in Russia itself.

[Begin Azimov recording] We want to have partners, businessmen, and investors from Russia, specifically those who are interested in our minerals and in participating in our joint ventures in the mining and other industrial sectors, as I have said. Of course, we are basically interested in developing the mining industry. [end recording]

Tajikistan: Russian Guards Accuse Afghan Army of Helping Tajik Rebels*LD2408101596 Moscow ITAR-TASS World Service in Russian 0828 GMT 24 Aug 96**[By ITAR-TASS correspondent Sergey Ostanin]*

[FBIS Translated Text] MOSCOW, 24 Aug (ITAR-TASS) — Armed units of the Tajik opposition based in Afghanistan are receiving support from a number of Afghan field commanders and representatives of local authorities. To make it easier for guerrillas to cross into Tajikistan, Afghan army units are forcing Afghan border guards to abandon their positions, thereby exposing the border on the Afghan side. An ITAR-TASS correspondent was informed of this today by Colonel General Aleksey Kozhevnikov, deputy director of Russia's Federal Border Service (FBS).

According to Kozhevnikov, one of the latest "internal showdowns" over spheres of influence on the border led to the expulsion of the 8th Afghan border guard battalion by one of the infantry divisions.

Aleksey Kozhevnikov said Mecheslav Senkevich, the Russian ambassador to Tajikistan, and Said Ibrahim Hekmat, Afghanistan's charge d'affaires in Tajikistan, visited the Khorog sector of the Tajik-Afghan border on 23 August with the aim of seeking ways to normalize the situation there. Today, through diplomatic channels, the FBS leadership informed 'Abdolvahhab Asefi, Afghan ambassador to Russia, of the situation on the Tajik-Afghan border.

Tajikistan: Afghans Agree on Security Zone To Stop Tajik Rebels*LD2708150796 Dushanbe KHOVAR in Russian 1240 GMT 27 Aug 96*

[FBIS Translated Text] To establish order on the border, representatives of the Border Troops of Russia and the military command of Afghanistan have agreed to establish a security zone 25 km from the Tajik-Afghan border in the Shughnan district of the Islamic State of Afghanistan, and henceforth not to allow armed groups of the Tajik opposition into the said zone. In the last few days, after having a joint discussion of the border situation, the sides adopted a relevant protocol, which was signed by Colonel V.A. Reshetnikov, border commissar of the Khorog section, Lieutenant-Colonel D.G. Kuritsin, his assistant, 'Abdol Aval, commander of the 24th border regiment, and Mahmudsharif, head of Shughnan Province [as received] of Badakhshan [Province].

The protocol also envisages, on the basis of equality between both sides, to carry out joint action and

cooperation in guarding the Tajik-Afghan border in the areas of their responsibility, and to carry out joint actions to prevent its violation, with the aim of stabilizing the situation on the border.

In the event of the nonobservance of the conditions laid down or of violations of the border, the Russian and Afghan sides retain the right to fire on illegal armed groups trying to violate or actually violating the border.

If the conditions established by the protocol are implemented, the Russian Border Troops guarantee economic cooperation between the Gornyy Badakhshan Autonomous Region [of Tajikistan] and the Shughnan district of Badakhshan Province of the Islamic State of Afghanistan.

Tajikistan: Tajik Rebels Deny Jihad Against Afghan Group*LD2308164696 (Clandestine) Voice of Free Tajikistan in Tajik 0600 GMT 22 Aug 96*

[FBIS Translated Text] An army official of the Islamic Movement of Tajikistan has denied the latest provocation by the Dushanbe authorities, that Professor Sayed Abdullo Nuri, the leader of the Islamic Movement and the United Opposition Forces of Tajikistan, allegedly declared a jihad against the Ismailis of Afghanistan.

Davlat Usmon, a deputy leader of the movement, and chief of the general staff of the armed forces of the Islamic Movement of Tajikistan, who gave an interview to our local correspondent yesterday evening, said that the Dushanbe government has revealed its weakness before the Muslim fighters of the country with such groundless provocations. He pointed out that a jihad is declared against nonbelievers and communists, who are God's enemies, and that it was simply a falsehood to say that the Islamic Movement of Tajikistan had allegedly declared a jihad against a group in the Islamic State of Afghanistan.

The Islamic Movement of Tajikistan, Usmon said, is on excellent terms with all parties of Afghanistan. The aim of the Dushanbe government propaganda apparatus is illogical and fictional in addition to being fraud, Usmon said at the end of his interview with our local correspondent. We remind you that the Dushanbe authorities have spread such falsehoods before.

Tajikistan: Tajik Groups Dispute Numbers of Refugees in Afghanistan*LD2708122596 (Clandestine) Voice of Free Tajikistan in Tajik 0600 GMT 27 Aug 96*

[FBIS Translated Text] The Hope [Umed] Fund for assistance to Tajik refugees in Moscow has reported that

1,500,000 Tajik citizens have emigrated to Russia, Belarus, Ukraine, Afghanistan, and the other Central Asian countries since [Tajik President Emomali] Rakhmanov's regime came to power. The refugees face visa problems in every country.

The Hope Fund said 60,000 refugees returned from the Islamic State of Afghanistan but 12,000 remain in the northern part of that country. According to a statement by the fund, the authorities in Russia do not officially recognize Tajik refugees under international agreements. Emigration from Tajikistan to Russia has increased lately because of unrest.

Commenting on the issue, Mavlavi Haqnazar Ghoibnazar, chairman of the Refugee Committee of the Islamic Movement of Tajikistan, said that the figures given by the Hope Fund's representative for the number of Tajik refugees in northern Afghanistan were not exact. According to the Refugee Committee of the Islamic Movement of Tajikistan, 35,000-40,000 Tajik refugees are currently living in northern Afghanistan. Six hundred people found their way to refugee camps in Afghanistan by various routes this year alone [words indistinct].

Tajikistan: Military Situation Remains Complicated

LD2708131996 Moscow Russian Public Television
First Channel Network in Russian
1100 GMT 27 Aug 96

[Report over video by unidentified correspondent; from the "Vesti" newscast]

[FBIS Translated Text] The military and political situation in eastern Tajikistan continues to remain complicated.

[Correspondent] The district capital, Tavil-Dara, is again under the control of Tajik Government troops, but peace is still far from this region. A military commandant has now been appointed here. New local authorities and power-wielding structures are being established in Tavil-Dara district.

Abandoning their positions, the militants again burned down the bridge linking Dushanbe and Gorno-Badakhshanskaya autonomous region. They also mined an area of 150 square meters during their retreat. According to [Tajik] Deputy Defense Minister Aleksandr Chubarov, sappers are finding only foreign-produced mines.

The armed groups of the united Tajik opposition have now entrenched themselves in Childora, having also taken several adjoining settlements. Exchanges of fire continued here yesterday and today. It is impossible to

establish who fired first, the government troops or the armed opposition.

All of this is taking place against the backdrop of mutual accusations of cease-fire agreement violations. The opposition militants are trying to get closer to Komsomolabad, in order to be able subsequently to declare this territory as their own, under the jurisdiction of the united Tajik opposition. [video shows tanks, soldiers, spent cartridges, a building damaged by a projectile, a bridge, a stream, a tank out of action, a military commander, a tank firing, a gun firing, a rifle firing, a multiple rocket launcher firing, a road with the road sign Labi Char crossed out signifying the end of village limits, armored personnel carriers]

Tajikistan: Rebels Claim Control of Central Mountain Region

LD2808102796 (Clandestine) Voice of Free Tajikistan
in Tajik 0600 GMT 28 Aug 96

[FBIS Translated Text] Residents of the highlands of Tajikistan have confirmed reports that the mountain areas are under control of the mojahedin [Tajik Islamic opposition]. According to the foreign press, the areas of Fayzabad, Obigarm, and Ragun up to Jirgatal [east central and central Tajikistan] are under the control of opposition fighters — partially during the daytime and completely at night.

Jololiddin Mahmud [name as received], head of the opposition delegation of the UN joint observer commission on a temporary cease-fire agreement, has confirmed this fact.

Military experts are of the opinion that the regime's difficulties have increased since the opposition took control of the Dushanbe-Tavil Dara and Dushanbe-Jirgatal highways. The Karanak pass route, through Kulyab [in the south] is the only way left for Tajik President Rakhmanov's government to transfer forces to Tavil Dara. The costs of the journey are much greater by this way than along the main road.

Tajikistan: Spokesman Says Federal Forces Control Part of Highway

LD2808121396 Moscow INTERFAX in English
1135 GMT 28 Aug 96

[FBIS Transcribed Text] Dushanbe, Aug 28 (Interfax) — Tajikistan's Government forces have taken part of the Dushanbe-Khorog highway under their control (a section between Labidzhar-Childara-Yurgand-Langar up to the Khaburnabad pass), press secretary of the Tajik president Zafar Saidov told Interfax Wednesday.

The opposition armed formations which occupied Childara on August 23 in violation of the ceasefire agreement have left their positions "on dominating heights without any fight and have gone to the mountains in the direction of Garm," he said.

Referring to military sources, Saidov said that "fighters have run short of ammunition and food products and the reinforcements they awaited have failed to pass through the border barrier on the Tajik-Afghan border." At the same time the highway section left by fighters has been mined and "is practically impassable," Saidov said.

The military-political situation in Tavil-Dara (200 kilometers to the east from Dushanbe) and Childara (40 kilometers to the west from Tavil-Dara) "has slightly stabilized," Saidov said. "The opposition armed detachments and government forces have again occupied positions defined at the inter-Tajik talks as initial ones," he said. Provided this situation is preserved in the near term, U.N. military supervisors will be able to establish their observation points in Tavil-Dara, Saidov said.

Meanwhile, a top-ranking official in the republic's Defense Ministry told Interfax that positional fire engagements are continuing between detachments of government forces and armed opposition in Tavil-Dara. There have been no reports on killed and wounded, he said.

Tajikistan: Prime Minister Meets Opposition Leader in Moscow

LD230814/1996 Moscow Russian Television Network
in Russian 1300 GMT 23 Aug 96

[From the "Vesti" news bulletin]

[FBIS Translated Text] Talks have been held in the President Hotel, Moscow, between Tajik Prime Minister Yahyo Azimov and Abdumalik Abdullojonov, leader of the National Rebirth bloc. Abdullojonov is a former prime minister, removed from office because of disagreements with the president, Emomali Rakhmanov. The present Tajik prime minister, Azimov, described the talks as constructive:

[Begin Azimov recording] There are requirements affecting a whole number of issues, including reviving the republic's economy and settling political questions, and I believe these issues will be taken to President Rakhmanov and then we shall resolve these problems. [end recording]

Although Abdullojonov is in opposition this is a constructive opposition and is not in any way linked to the armed emigre opposition.

[Begin recording] [Abdullojonov, shown interviewed by unidentified correspondent] If of course we do not

now sit down at the negotiating table or make some concessions to the authorities, so as to seek some national idea for a solution, things will continue to get worse to the stage when they probably will be impossible to put right.

[Correspondent] Do you also subscribe to the opinion that people from the Kulyab area now dominate the present ruling structures in Tajikistan, or is this an exaggeration?

[Abdullojonov] No, this really is the case. This is what has caused the present situation and acts as a destabilizing factor in the republic today.

[Correspondent] Attempts at dialogue between the various political forces in Tajikistan are meant to put an end to the clan rivalry and to ensure stability to overcome the catastrophic situation.

[Abdullojonov] As regards Islamization, I believe that there is no social basis for it, but when one considers the separation of the regions, delimiting the republic into several parts, then I think that it is on the brink of falling apart. [end recording]

Tajikistan: Rebel Comments on Democrat Yusuf's Comeback

LD260811/2996 (Clandestine) Voice of Free Tajikistan
in Tajik 0600 GMT 26 Aug 96

[Interview with Professor Muhammad Sharif Himmatzoda, deputy leader of the Islamic Movement of Tajikistan (IMT) and deputy chairman of the opposition delegation to the Tajik peace talks, by unidentified correspondent; date and place not given — from the "Sado-i Oshno" program; live or recorded]

[FBIS Translated Excerpt] [passage omitted] [Correspondent] A year ago, you called [Democratic Party leader] Shodmon Yusuf a political deceiver. Recent acts by Shodmon Yusuf show that he has changed his ideas. What do you say about him now?

[Himmatzoda] I really do not want to talk again about the role and activities of Shodmon Yusuf, who has left the political scene. However, I want to say one thing: Shodmon Yusuf has no firm and principled stance. He changes his position every day. A year ago his masters used him to sow disagreement and division among the United Opposition, and he found himself a suitable role. Today even they do not need him, because he has fulfilled his role and recognized the regime.

Today he says his party has a certificate of political activity and is registered. So why is he not going to work jointly with the regime and lead his party from within the country? We hear his voice from Europe and from

Moscow. Even the Russians do not need him, because the Russians have already used him. He tried to carry out their plan and — Praise be to God — he failed. He did not succeed in this task.

In spite of this, there has been much talk about his comments. We see what he is doing now, but where does he live? He wants to resurrect his name, but he is dead on the political scene of the country. [passage omitted]

Tajikistan: Opposition Agrees To Stay in Cease-Fire Commission

LD2708125996 (Clandestine) Voice of Free Tajikistan in Tajik 0600 GMT 27 Aug 96

[FBIS Translated Text] Mr. [Gerd] Dietrich Merrem, the UN secretary general's special envoy in Tajikistan, has sent a letter to Professor Sayed Abdullo Nuri, leader of the Islamic Movement and the United Tajik Opposition. Dietrich Merrem asked Professor Sayed Abdullo Nuri to continue the participation of members from the opposition side in the joint cease-fire agreement observer commission.

As we have reported before, as a result of threats from [Major-General] Saidamir Zuhurov, [Tajik] minister of internal affairs, who declared that he would take opposition members of the joint commission hostage, it was decided to recall them.

The UN secretary general's special envoy gave his firm promise to provide the security of the opposition representatives in Dushanbe, and asked Professor Sayed Abdullo Nuri to allow them to take further part in implementation of the agreements reached in the last round of the Tajik peace talks in Ashgabat.

Professor Sayed Abdullo Nuri, leader of the Islamic Movement and the United Tajik opposition, allowed the opposition members of the joint cease-fire agreement observer commission to continue their work in Dushanbe in reply to the request of Mr. Dietrich Merrem, the UN secretary general's special envoy to Tajikistan.

Tajikistan: President Names Leninabad, Badakhshan District Heads

LD2308120796 Dushanbe Radio Tajikistan Network in Tajik 0500 GMT 22 Aug 96

[FBIS Translated Text] By a decree of Tajik President Emomali Rakhmanov, from 21 August 1996 Bibikhon Azizova is appointed chairman of Kanibadam in Leninabad Region.

According to a decree of Tajik President Emomali Rakhmanov, from 21 August 1996 Yormahmad Sangov

is removed from the post of the chairman of Darvoz District in Gornyy Badakhshan Autonomous Region at his own request.

By a decree of Tajik President Emomali Rakhmanov, from 21 August 1996 Nurali Rahmonaliyevich Riroyev is appointed acting chairman of Darvoz District in Gornyy Badakhshan Autonomous Region.

By a decree of Tajik President Emomali Rakhmanov, from 21 August 1996 Qodir Qosimovich Qosimov is appointed chairman of Vanj District in Gornyy Badakhshan Autonomous Region.

Turkmenistan

Turkmenistan: President Names Deputy Prime Minister, Other Officials

LD2408112996 Ashgabat Radio Ashgabat Network in Russian 1400 GMT 23 Aug 96

[FBIS Translated Excerpt] Turkmen President Saparmurad Niyazov has appointed Aleksandr Dadonov as deputy prime minister to replace Valeriy Otchertsov, who moves to the Turkmen Embassy in Moscow as economics counselor. In decrees presented on Turkmen Radio on 23 August, Niyazov also promoted Matkarim Rajapov to the position of minister of economics and finance from his previous post as first deputy minister of economics and finance. Otchertsov held the post of minister of economics and finance with his deputy premiership. Niyazov also appointed a commercial banker, Orazmurad Bekmuradov, as head tax inspector. An excerpt from the list of decrees follows:

Decree of the President of Turkmenistan on comrade Dadonov. To appoint comrade Aleksandr Dadonov, deputy chairman of the cabinet of ministers of Turkmenistan in charge of (social-economic) problems.

[Signed] President of Turkmenistan Saparmurad Turkmenbashi Niyazov.

Decree of the President of Turkmenistan on comrade Rajapov. To appoint comrade Matkarim Rajapov minister of economics and finance of Turkmenistan, relieving him of his duties as first deputy minister of economics and finance of Turkmenistan.

[Signed] President of Turkmenistan Saparmurad Turkmenbashi.

Decree of President of Turkmenistan on comrade Bekmuradov. To appoint comrade Orazmurad Bekmuradov head tax inspector of Turkmenistan, relieving him of his duties as first deputy chairman of the board of the joint stock commercial bank [name indistinct].

[Signed] President of Turkmenistan Saparmurad Turkmenbashi.

Decree of the President of Turkmenistan on the appointment of comrade Otchertsov as counselor-envoy to the Russian Federation. To appoint comrade Valeriy Georgiyevich Otchertsov counselor-envoy on economic issues to the embassy of Turkmenistan in the Russian Federation in Moscow.

[Signed] President of Turkmenistan Saparmurad Turkmenbashi.

Decree of the President of Turkmenistan on awarding comrade Otchertsov the title of Ambassador Extraordinary and Plenipotentiary. To award comrade Valeriy Georgiyevich Otchertsov with the title of Ambassador Extraordinary and Plenipotentiary.

[Signed] President of Turkmenistan Saparmurad Turkmenbashi.

Decree of the President of Turkmenistan on comrade Otchertsov. To relieve comrade Valeriy Georgiyevich Otchertsov of his duties as a deputy chairman of the cabinet of ministers of Turkmenistan and of minister of economics and finance of Turkmenistan on his departure from Turkmenistan.

[Signed] President of Turkmenistan Saparmurad Turkmenbashi. [passage omitted]

Uzbekistan

Uzbekistan: Foreign Minister in India; Opposes CIS Military Bloc Idea

LD2408171196 Moscow ITAR-TASS World Service
in Russian 0728 GMT 24 Aug 96

[By ITAR-TASS correspondent Leonid Kotov]

[FBIS Translated Text] DELHI, 24 Aug (ITAR-TASS)
— Russia's territorial integrity and stability are a

guarantee of the sovereignty of CIS countries. This voluntary union of independent states must not become a military bloc, Uzbek Foreign Minister Abdulaziz Kamilov told a news conference here today. Kamilov is paying an official visit to India.

"Uzbekistan is against the establishment of supranational institutions within the CIS that could be used as instruments for centralized control of former Soviet republics," the minister stressed. "Uzbek representatives will not take part in the work of the CIS' parliamentary assembly. Tashkent does not intend to join the customs union of the former Soviet republics."

India, said Kamilov, is playing an important role in the development of trading relations in the CIS countries, notably between the Central Asian republics and Asian countries. Uzbekistan is interested in using the Iranian port of Bandar 'Abbas for trade with India and other Asian states, although Tashkent is also studying other routes for the delivery of goods to the Asian continent.

The Uzbek foreign minister believes that an alternative trading route to Central Asia could lie through Afghanistan, where peace must be restored. "Delhi and Tashkent favor the earliest possible end to the war in that country and they oppose outside intervention in Afghan affairs," Kamilov declared. "To this end the initiatives of Uzbekistan, which proposed the immediate introduction of an international embargo on arms supplies to Afghanistan, must be implemented. Afghanistan's neighbors must strictly obey the provisions of the embargo and not pass on weapons to any of the warring Afghan groupings."

Armenia

Armenia: ICRC Registers 3 Azeri POW's, 6 Armenian 'Hostages'

NC2408194196 Yerevan ARAGIL ELECTRONIC
NEWS BULLETIN in English 1133 GMT 23 Aug 96

[FBIS Transcribed Text] Yerevan ("AZG" daily), 08/23/96 — According to a report of the Azeri ANS-press agency, three Azeri prisoners of war are under the control of International Commission of Red Cross starting from July. They are kept in the prison of Shousha.

According to the official sources, these people were arrested on the territory of RMK [Republic of Mountainous Karabakh] where, as they confessed, they arrived in order to commence diversion activities. Representatives of ICRC were immediately allowed to meet them.

In turn, the RMK Commission for Prisoners of War and Hostages has information that six hostages of Armenian nationality (one woman, one 17 year old girl, one 15 year old boy, two citizens of Russia, and one psychic patient) are kept in Gobustan (Azerbaijan) under the control of ICRC. All these people are civilians, and never lived in the zone of the conflict. They were captured as hostages after 9 May 1996.

Armenia: Two Iranians Killed in Yerevan

NC2708052696 Yerevan SNARK in English
1116 GMT 26 Aug 96

[FBIS Transcribed Text] YEREVAN, AUGUST 26. (SNARK)—Two citizens of Iran were killed in the center of Yerevan on Saturday [24 August].

The Press Office of the Foreign Affairs Ministry informed Snark that Hoseyn Shamsi born in 1968, resident of Tabriz and Hasan Zurmandi born in 1969, resident of Jarjara [placename as received] were shot at by an unidentified person on August 24 at about 10:30 p.m. Shamsi was shot dead, while Zurmandi died later in hospital.

Officials from the Internal Affairs Ministry who arrived on the scene after residents of the nearest houses call, found three cartridges and one cartridge-case. An investigation is being carried out.

Armenia: Uniformed Man Linked to Murder of Two Iranians

NC2708092696 Yerevan Armenia's Radio First
Program Network in Armenian 1300 GMT 26 Aug 96

[FBIS Translated Text] As has already been reported, two citizens of the Islamic Republic of Iran have been murdered near the water fountains of Yerevan's

Republic Square on Saturday [24 August] evening. During this crowded hour, witnesses noticed a man fleeing the scene of the incident who was wearing a military field uniform and a belt bearing a Soviet military star. Afterwards, a car was seen speeding through Melik-Adamyanyan, a one-way street, in the wrong direction. The witnesses are linking it with the fleeing man.

The Spandarian Public Prosecutors Office instituted a criminal proceeding on the same day. Spandarian district prosecutor Viktor Vasilyan told an ARMENPRES reporter that according to preliminary findings the bullets found at the site of the scene belong to Makarov type revolver. He also stated that in view of the gravity of the case he has appointed Marsel Matevosyan, the investigator of important cases at the general prosecutor's office, as his aide.

According to Matevosyan, the murdered were Iranian citizens Hoseyn Shamsi and Hasan Zurmandi. They were involved in trade activities in Armenia. Shamsi worked mainly in Tbilisi and has been in Yerevan for about one [word indistinct], whereas Zurmandi has been working in Yerevan for over one and a half years. According to forensic investigation, the shots were fired from the same revolver. Shamsi died on the spot, having been hit by four shots, and Zurmandi, who sustained two wounds, died at the hospital. [passage indistinct]

Armenia: Seven Candidates Registered for Presidential Election

LD2308122196 Moscow ITAR-TASS in English
1143 GMT 23 Aug 96

[By Tigran Liloyan]

[FBIS Transcribed Text] YEREVAN, August 23 (Itar-Tass) — The registration of presidential candidates in Armenia has been completed by the Central Electoral Commission today. The presidential elections will be held on September 22.

There are seven candidates:

Lenner Agalovyan, Director of the Mechanics Institute of the Armenian Academy of Sciences;

Paruir Airikyan, Chairman of the National Self-Determination Association;

Sergei Badalyan, First Secretary of the Central Committee of the Armenian Communist Party;

Vazgen Manukyan, Former Armenian Premier, Chairman of the National Democratic Union of Armenia;

Ashot Manucharyan, Former Chief Adviser to Armenian President for National Security;

Levon Ter-Petrosyan, the Current Armenian President.

In accordance with legislation, the candidates have a right to begin canvassing as of today. Every one of them has a right to 90 minutes of time on TV free of charge, plus up to 100 addition minutes at cost.

Azerbaijan

Azerbaijan: Sabotage, Terrorist Schools Said Operating in Karabakh

NC2708134596 Baku TURAN in English
0118 GMT 27 Aug 96

[FBIS Transcribed Text] BAKU/27.08.96/TURAN—Under the cover of the truce in the front the military circles of Armenia pay special attention to the preparation and training of sabotage-terrorist groups. According to informed sources, such sabotage centre has been existing in Nagorno-Karabakh from 1992 near Khankendi (Stepanakert) city. The founder of this centre is an officer-colonel of the Central Intelligence Head-quarter of the Defence Ministry of the USSR Ivan Gukasov. A citizen of Armenia, Gukasov worked in the military intelligence for a long period as an advisor for intelligence in the Nangahar province of Afghanistan.

A sabotage school was set up with direct participation of the Defence Minister of Armenia Vazgen Sargsyan. But this school is on the account of neither the Defence Ministry of Armenia nor military department of Nagorno-Karabakh.

It is known that in August 1992, eleven hirelings from the 7th Russian army, dislocated in Armenia, were trained here. Late August the same year six people of this group were captured during the fulfillment of the act of sabotage in Kelbajar region of Azerbaijan.

Then the main contingent of the sabotage centre comprised the Armenians of Karabakh, citizens of Armenia and hirelings. It is known that the instructors have been chosen from the officers of a 7th special-purpose Russian army and a group of Armenians from Lebanon.

The same source reports that the method of preparation and training is carried out in several directions: the work in the rear of the enemy and in the depth, carrying out of acts of sabotage (explosions), creation of net of agents, explosive substances, radio and transmission systems. Theoretical preparation is based on the experience of the sabotage-diversion group of the countries of the Middle East, Northern Ireland, Spain, Turkey and so on.

This centre is under the cover of high-ranking people from the Defence Ministry of Armenia. According to the information, a second diversion centre is being created. Informed sources report that the Armenians plan training of Kurdish separatists in these centres.

Azerbaijan: Commission Explains Detention of 7 Armenians

NC2408193796 Baku TURAN in English
1144 GMT 24 Aug 96

[FBIS Transcribed Text] Baku/23.08.96/TURAN—On the eve the commission of Nagorno-Karabakh for the questions of POWs, hostages and missing made a statement reading that in Gobustan (60 kilometres from Baku) seven people Armenians by nationality are kept. The statement noted that these people have been detained at the territory of the CIS and are hostages.

The State Commission of Azerbaijan for POWs, Hostages and Missing told TURAN that the Armenians kept in Gobustan had been detained in Azerbaijan and not "at the territory of the CIS," as the Armenian side states. The Armenian kept in Gobustan are citizens of Armenia and Russia. There is a ground to suspect them of anti-governmental activity, that is why relevant check is going on, the State Commission states.

The indignation of the Armenian side concerning the detain of the above mentioned people is groundless, as the Armenian diversants [as received] several times carried acts of terrorism in Baku and other cities of Azerbaijan.

Statements that "Azerbaijan continues capture of Armenians on the state level" is also groundless. Tens thousands people, Armenian by nationality live in Azerbaijan at present. Nobody touches them," TURAN was told by State Commission.

They also said that Azerbaijan does not conceal Armenians detained at the territory of Azerbaijan, and contrary to Armenian they pass the list of their names to the ICRC.

Today Azerbaijan has exact unofficial data about the presence of 858 Azerbaijan kept in Nagorno-Karabakh and Armenia. Among them: 51 women, 10 children and 41 old men. These people had been captured by the Armenians during the occupation of the territories of Azerbaijan, they are real hostages. But the Armenian side does not allow the representatives of the ICRC to the places where the Azerbaijanis are kept.

Concerning the mentally ill Arthur Atayan, about which the Armenian side reports, he is a former soldier who had deserted from the Armenian army. So the question arises why the mentally ill man was called to military service, the staff of the State Commission said.

Georgia

Georgia: Shevardnadze Praises South Ossetia's Desire for Reintegration

LD2708162696 Tbilisi First Program Television Network in Georgian 1500 GMT 27 Aug 96

[FBIS Translated Excerpt] We now present a report on the Georgian president's arrival back from Vladikavkaz.

[Unidentified correspondent] [passage omitted] A historic meeting took place in Vladikavkaz today. For the first time, Georgian President Eduard Shevardnadze talked to South Ossetian leader Ludvig Chibirov face to face. Two hours of talks were followed by another historic event. Shevardnadze and Chibirov signed an agreement setting up so-called delegations — working groups that will continue work on specific issues. Economic issues and prospects for increasing the role of grass-roots diplomacy were also discussed.

[Begin Shevardnadze recording] A dialogue has begun between the leaders, a direct dialogue. It is the first time that a leader of the South Ossetia region and a Georgian president have met face to face. You know that the meeting lasted two hours.

I would like to tell you straight away that I am very pleased with the meeting. I think that it was a frank, sincere discussion, with a sense of responsibility. Chibirov left a very good impression on me by his sincerity, frankness, integrity, and desire to contribute to speeding up reconciliation as much as possible, but without upsetting the natural development of events. [end recording]

Georgia: Shevardnadze Satisfied With South Ossetia Chief Meeting

LD2808112296 Moscow ITAR-TASS in English 1045 GMT 28 Aug 96

[By Tengiz Pachkoria]

[FBIS Transcribed Text] Tbilisi, August 28 (Itar-Tass) — "I am satisfied with the results of the two-hour confidential talks with South Ossetian leader Ludvig Chibirov which were held in Vladikavkaz," Georgian President Eduard Shevardnadze told journalists after his return from Vladikavkaz.

He said that the meeting with Chibirov was held in a frank and sincere atmosphere. In Shevardnadze's opinion, Chibirov treats with a feeling of responsibility the need for stepping up the process of reconciliation between Georgians and Ossetians as well as for stepping up the process of a settlement of the conflict in South Ossetia.

The Georgian leader noted that the Russian leadership, North Ossetian President Akhsarbek Galazov, and the Georgia-based mission of the Organisation for Security and Cooperation in Europe play an active role in settling the South Ossetian conflict.

Shevardnadze also said that he discussed Caucasian problems, including the situation in Chechnya, with Galazov at their meeting in Vladikavkaz on Tuesday. "We expressed support for actions promoting an end to the bloodshed and establishing peace in Chechnya.

"But our position of principle is that establishment of peace and stability in Chechnya should not take place at the expense of Russia's territorial integrity, since violation of Russia's territorial integrity and unity can bring big problems to Russia, Europe, and to Transcaucasian states, including Georgia."

Georgia: Russian Official Says Georgian-South Ossetian Meeting Positive

LD2808113396 Moscow-ITAR-TASS in English 1039 GMT 28 Aug 96

[FBIS Transcribed Text] VLADIKAVKAZ, North Ossetia, Aug 28 (Itar-Tass) — "The very fact of holding a dialogue in Vladikavkaz between Georgian President Eduard Shevardnadze and speaker of the North Ossetian parliament Lyudvig Chibirov is of great importance not only for the Caucasus and Russia but also for the entire international community," Boris Pastukhov, Russian first deputy foreign minister said in an interview with ITAR-TASS on Wednesday at the Vladikavkaz airport before his departure for Moscow.

According to the deputy minister, the sides at the Vladikavkaz meeting discussed on Tuesday the entire range of problems in a full-scale settlement of the situation in the region, in the context of the memorandum on measures to ensure security and to strengthen mutual confidence between the sides in the Georgian-Ossetian conflict, which was signed in Moscow on 16 May.

Pastukhov noted that the dialogue was difficult, but Shevardnadze and Chibirov displayed political courage and confirmed their service to their peoples. The meeting of the two leaders in Vladikavkaz is an example for those who try, up to this time, to claim their rights with arms in hand.

They signed a statement on the results of the meeting, which brings a settlement of relations between the Georgian and Ossetian peoples to a new level and removes tension in the Caucasus and Russia.

"In my opinion," the deputy minister noted, "the process of reconciliation goes along the correct channel, since

the sides broke the barrier of mistrust, overcame stereotypes of hatred, as well as the heavy heritage of the

past few years. The goodwill of the peoples themselves is necessary now."

Estonia

Estonia: Parliament Fails To Elect President in Final Attempt

LD2708143496 Tallinn Radio Tallinn Network
in Estonian 1418 GMT 27 Aug 96

[FBIS Summary] Estonia radio reports that the Estonian parliament, the Riigikogu, today failed to elect a president of the country in the third and final round of elections.

In a live relay from the parliament, the chairman of the electoral commission says that incumbent President Lennart Meri gained 52 votes in favor, and his rival, Arnold Ruutel, a deputy speaker of the parliament, gained 32 votes in favor. To be elected, a candidate needs 68 votes in the 101-seat parliament.

Since the parliament has failed to elect a president in three rounds, the radio says, the speaker of the parliament will have to convene, within one month, an election council consisting of all 101 members of parliament and of 273 local government representatives, which will have to elect president.

Estonia: Assessment of Parliament's Failure To Elect President

LD2708153396 Moscow INTERFAX in English
1512 GMT 27 Aug 96

[FBIS Transcribed Text] TALLINN, Aug 27 (Interfax) — The Estonian parliament failed to elect the country's president in a third, final round of voting.

Incumbent President Lennart Meri had 52 votes and parliament deputy speaker Arnold Ruutel, 32 votes, both far short of the target 68 votes.

Out of the 101 MPs, 96 took part in the voting. Eleven of them did not fill out their ballots and one ballot was declared invalid.

According to presidential election law, the parliament chairman has a month to convene an electoral college which will include 374 MPs and local government representatives. Every local council will elect at least one member of the college who must be a citizen of Estonia.

Numerous analysts regard the elections as a confrontation of two political lines, not as a choice between two men. They believe that Meri, 67, would continue the reform. Born in Estonia, he graduated from the school of philology after his family's return from Russia's Krasnoyarsk territory where they were exiled by the Stalin regime. Until 1989 Meri was known in Estonia as a writer. In 1989-92 he was foreign minister and ambassador to Finland until elected president.

Ruutel was a communist functionary. He was president of the Tartu Agricultural Academy and chairman of the Supreme Soviet of the Estonian SSR and the Estonian Republic. Even though he received less support, the ambiguous parliament vote is regarded as a tactical victory. Before the voting his aides said that his goal is to have an electoral college do the final voting. Ruutel expects strong support from the provinces, where reform-related difficulties may give him decisive support.

Estonia: Meri Confirms Intent To Continue Running for Presidency

LD2708192196 Tallinn Estonian Television Network
in Estonian 1800 GMT 27 Aug 96

[Interview with Estonian President Lennart Meri by unidentified correspondent on 27 August; place not given; from the "Aktuaalne Kaamera" program — recorded]

[FBIS Translated Text] President Lennart Meri stated today to "Aktuaalne Kaamera" that he is also willing to stand in the fourth round of presidential elections, where the head of state will be elected by the [yet to be formed] electoral council.

[Correspondent] Mr. President: How do you rate the situation now that the Riigikogu has failed to elect the president?

[Meri] Well, tonight I would first and foremost like to thank the Riigikogu members who supported me in the three rounds of voting. I am particularly pleased that in the third round of voting the majority in the Riigikogu supported me. Now it is down to the electoral council, which is a new institution in our political practice. I am confident that the support of the majority in the Riigikogu provides me with courage and success to take part also in the fourth round. So, let us look into the future with optimism. The state of Estonia has never been without a head of state.

[Correspondent] Do you see that a crisis of some kind has arisen?

[Meri] Oh no. Our Constitution is working and all these stages that we passed yesterday and today have been envisaged by our Constitution and the laws proceeding from it.

Estonia: Parliamentarians on Future Electoral College Outcome

WS2808075996 Tallinn BNS in English
1900 GMT 28 Aug 96

[FBIS Transcribed Text] Tallinn, Aug 27, BNS — Several leading MPs said on Tuesday they were expecting a

third candidate to stand beside Lennart Meri and Arnold Ruutel and take a victory when the presidential vote is brought before an electoral college.

Mart Siimann, head of the parliament faction of the ruling coalition's Coalition Party, said his party was set to begin consultations on putting a new candidate before the electoral college. "If we find a candidate who is better than Meri, we'll certainly name that candidate," Siimann said. "But if Meri and Ruutel remain, Meri's chances are better, but not by as much as has been forecast so far," he said.

Former Prime Minister Mart Laar, of the opposition Pro Patria Union faction, said a third candidate could defeat both Meri and Ruutel in the electoral college. "The choice that the electoral college will make is absolutely unpredictable," Laar said.

Remaining sure of Meri's victory after three inconclusive ballots in parliament were his supporters from the Reform Party/Liberals, Moderates and Right-Wingers.

"I believe that there will be no substantial addition to Meri and Ruutel and that Meri will be the favorite," MP Indrek Kannik of the Right-Wingers said.

Yet both Kannik and Reform Party/Liberals' Heiki Kranich admitted that Meri's chances of getting the mandate for a second term in the electoral college were smaller than they had been in parliament.

A speaker from the camp of Meri's rival candidate Arnold Ruutel estimated the chances of Meri and Ruutel as equal. "Everything will depend on how free the electors will be in their opinions, on whether they will represent their own, the local council's or the region's opinion," MP Adrus Varik of Ruutel's Country People's Party said.

Edgar Savisaar, the chairman of the Center Party, said he doesn't think Meri or Ruutel will get elected. "The possibility that a third candidate will surface is bigger than in the parliament. The local governments must search wider for a candidate."

Estonia: Foreign Minister Outlines Baltic Cooperation Plans

LD2708185496 Tallinn Radio Tallinn Network in Estonian 1700 GMT 27 Aug 96

[FBIS Translated Text] The government has decided to set up a secretariat of the Baltic Council of Ministers in Tallinn. This is what Foreign Minister Siim Kallas, acting prime minister, told a government news conference. Kallas added that the secretariat will operate while Estonia holds the chair of the Baltic Council of Ministers. The secretariat will have four staff positions.

According to Kallas, the furthering of Baltic cooperation is a priority sphere and will result in a favorable political outcome. Kallas mentioned the Baltic free-trade agreement on farming produce as the biggest achievement of recent times. Work is currently in progress on standardizing customs procedures and military issues are also under discussion. Kallas specified that this is nothing to do with setting up a military union but amounts to security cooperation. Kallas stated that cooperation does not envisage a military pact.

In the sphere of the economy, cooperation is under way to create joint standards and to introduce European standards and certificates. Border cooperation should also develop.

Latvia

Latvia: Ministers Discuss NATO Expansion With U.S. Senator

LD2708164796 Riga Radio Riga Network in Latvian 1300 GMT 27 Aug 96

[FBIS Translated Text] U.S. Senator Richard Lugar is continuing his visit to Latvia. Today, he met senior state officials — the state president, the speaker of the Saeima, members of parliament, the prime minister, and the foreign minister.

During his talks with Prime Minister Andris Skele, the senator spoke of his country's support for the implementation of economic reform in Latvia and the tackling of security policy problems. Skele, for his part, briefed Lugar on priorities in the work of the Latvian Government in the economy and foreign policy, stressing the movement toward the European Union and NATO. At the same time, Skele stressed the need to maintain good relations with Russia and to develop economic cooperation between the two countries.

NATO enlargement was also a major topic during the talks between Senator Lugar and Foreign Minister Valdis Birkavs, as the foreign minister stated after the meeting. Lugar said it is possible that talks will take place as early as December with states which might join NATO during its first expansion round and that these countries might be invited to join NATO as early as next year. However, the opinion has already been expressed that the Baltic states will not be able to join NATO during the first round. Therefore, reporters asked Lugar who will guarantee the security of the Baltic states if this is the case.

[Begin Lugar recording in English fading into superimposed Latvian translation] Latvian security will increase with each month. The more U.S. investment there is, the

more high-level meetings there will be, and the Partnership for Peace program will also expand, as will the cooperation exchange between U.S. and Latvian soldiers. [end recording]

Latvia: Foreign Minister Tells U.S. Senator Latvia Hopes To Join NATO

LD2708140296 Moscow INTERFAX in English
1325 GMT 27 Aug 96

[FBIS Transcribed Text] RIGA, Aug 27 (Interfax) — Latvia will continue trying to enter NATO at the first stage of the alliance's expansion, Latvian Foreign Minister Valdis Birkavs told a news conference in Riga Tuesday following his meeting with U.S. Senator Richard Lugar. But he admitted he was hearing "with increasing frequency discourse about how this will be impossible."

NATO expansion had topped the agenda of the meeting with Lugar, he said. The senator told him that all NATO countries are agreed to determine in 1997 the sequence of NATO entry by new members, Birkavs said.

Birkavs quoted Lugar as saying that "the doors will remain open" for countries not admitted in the first stage.

Latvia: Foreign Minister, U.S. Senator Discuss NATO Enlargement

LD2708185696 Riga Radio Riga Network in Latvian
1700 GMT 27 Aug 96

[FBIS Translated Excerpt] U.S. Senator Richard Lugar, meeting in Riga today with Prime Minister Andris Skele, confirmed his country's support for the implementation of economic reforms in Latvia and the solution of security policy problems. [passage omitted]

Foreign Minister Valdis Birkavs also doubted whether the Baltic countries could be in the first rank of the NATO entrants, but he did emphasize that the Baltic countries' insistence on their demands may make the NATO leadership consider Baltic security in another context.

[Begin Birkavs recording] I have no suspicions that either the United States or NATO does not wish to increase the security of Europe, but if we analyze the situation as it is developing, then we see that they are coming up with newer and newer proposals, and the proposal that is being heard proves that in fact the process of NATO expansion will occur simultaneously with a considerable deepening of the Partnership for Peace (PFP) program. Obviously, to the limits of our abilities our decision-making will play a part in the procedure, and I see that it is in this direction that the same 11 countries, together with the 27 PFP countries,

want to integrate — that is the direction this process is moving in. [end recording]

At his meeting with our foreign minister, Lugar expressed the United States' support for the Baltic countries' efforts to join the European Union. Birkavs for his part emphasized that Latvia joining the union is also a step toward NATO.

Latvia: Ulmanis on Russian Problem in Latvia's NATO Entry

LD2708171396 Moscow INTERFAX in English
1701 GMT 27 Aug 96

[FBIS Transcribed Text] RIGA, Aug 27 (Interfax) — Latvian President Guntis Ulmanis confirmed Latvia's intention to join NATO during his meeting with U.S. Republican Senator Richard Lugar in Riga on Tuesday, Ulmanis' chancellery told Interfax.

A major problem regarding Latvia's NATO entry is "relations between our state and Russia which should be built in a democratic and strategically correct direction that would lead us to security guarantees," Ulmanis said.

"Latvia for its part can promise well thought out actions without extreme or unbalanced moves," Ulmanis said.

Lugar said that Russia should understand that the security of Europe also meant security for Russia.

Latvia: Lithuanian Treatment of New Latvian Envoy Criticized

WS2308103596 Tallinn BNS in English
0950 GMT 23 Aug 96

[FBIS Transcribed Text] Riga, Aug 22, BNS — Lithuania's action after accreditation of Latvian ambassador Atis Sjanits has left a negative influence upon both countries' mutual relations, Latvian Foreign Ministry's Press Secretary Rihards Mucins told BNS.

He expressed regret that the Foreign Ministry has not received explanations from Lithuania why the scheduled meetings of the newly-accredited Latvian ambassador with Lithuanian Prime Minister Mindaugas Stankevičius and Deputy State Secretary Albinas Januska were cancelled on Aug. 20.

Latvian mass media have interpreted this action as Lithuania's deliberate step aimed at making pressure on Latvia in order to achieve more favorable development in solving several mutual issues.

If Lithuania did not act like that on purpose, its action must be viewed as ill-considered even if any possible objective reasons were given, said Mucins.

"Lithuania obviously had not paid the necessary attention to the importance of strict observation of the diplomatic procedure even in relations between very friendly states," said Mucins.

Latvia: Birkavs Hails Meeting on European Integration for Baltics

LD2508164096 Riga Radio Riga Network in Latvian 1500 GMT 25 Aug 96

[FBIS Translated Text] Foreign Minister Valdis Birkavs has described the international conference entitled "The Baltic dimension of European integration," which has been held in Riga, as successful and significant because the European Union and NATO are entering the final stage of their enlargement processes. It was stressed at the conference that the integration of the Baltics into the European Union is consolidated by mutual cooperation between Latvia, Lithuania, and Estonia. In this respect, the agreements which have been concluded on the maritime border and free trade in agricultural produce were praised.

Meanwhile, speaking of the possibility of joining NATO, Birkavs said the Baltic states' attempts to get into this organization have forced the NATO leadership to give particular consideration to the Baltic region.

Latvia: German Ships Participate in Minesweeping Exercises

LD2308124996 Riga Radio Riga Network in Latvian 1200 GMT 23 Aug 96

[FBIS Translated Text] Six ships of the German minesweeping squadron are taking part in the (word indistinct) largest mine-sweeping and destroying exercises in the Gulf of Riga from 23 August to 6 September. Captain Gaidis Zeibots, commander of the Latvian Navy, said today that until the (?exercises occurring now), the military activity that took place during the Second World War in the region has so far not been observed in detail. It is possible that mines from both wars will be (?retrieved). In his words, the security of shipping can only be ensured after the seaways are cleared of mines.

Lithuania

Lithuania: Official Skeptical of Solving Border Dispute Through Court

LD2708111296 Vilnius Radio Vilnius Network in Lithuanian 0800 GMT 27 Aug 96

[FBIS Translated Text] The head of the Lithuanian negotiating delegation does not believe that the dispute

with Latvia over the maritime border should be handed over to an international court of law.

The Latvian negotiating delegation, headed by Maris Riekstinis, state secretary at the Ministry of Foreign Affairs, is starting a new round of talks with Lithuanians in Vilnius on 27 August. The newly appointed head of the Latvian negotiating team will have his first meeting with the Lithuanian delegation, headed by Deputy Minister of Foreign Affairs Rimantas Sidlauskas.

Sidlauskas is skeptical about a much publicized proposal put forward by Maris Riekstinis to solve the maritime border dispute at an international court of law if the negotiating parties fail to agree to at least on the duration of future negotiations. Rimantas Sidlauskas believes that agreement must be reached by Lithuania and Latvia.

The prospect of reaching an agreement has been made less likely by the intention of the Latvian Saeima to ratify an agreement on oil exploration in a disputed area of the Baltic Sea shelf. Lithuania has already warned the Latvians that the ratification of a licensing agreement with the U.S. Amoco and Swedish OPAB companies would significantly hamper negotiations on the maritime border and economic zone, and would constitute a violation of international law. The Latvian parliament intends to begin the agreement ratification process on 29 August.

Lithuania: Ignalina Nuclear Power Plant Shut Due to Leakage

LD2708194296 Vilnius Radio Vilnius in English 1900 GMT 27 Aug 96

[FBIS Transcribed Text] The Ignalina nuclear power plant was fully shut down on Tuesday following a leakage in the cooling system in the first nuclear reactor.

The second reactor is currently undergoing regular maintenance. The director of the Ignalina nuclear power plant, Viktor Shevaldin, says that the leakage did not affect the staff or the environment. The first power unit is to be set in operation again on 3 September.

After the shut-down of the Ignalina plant Lithuania is getting 40 percent of the electricity it needs from other electric power stations in the country, while the remaining part is being imported from Russia and Latvia. Similar imports due to stoppages at the Ignalina nuclear power plant were also made in January and February.

BULK RATE
U.S. POSTAGE
PAID
PERMIT NO. 588
SPRINGFIELD, VA

This is a U.S. Government publication produced by the Foreign Broadcast Information Service (FBIS). Its contents in no way represent the policies, views, or attitudes of the U.S. Government.

FBIS collects, translates, disseminates, and analyzes foreign open-source information on behalf of the U.S. Government. Its publications may contain copyrighted material. *Copying and dissemination is prohibited without permission of the copyright owners.*

- Bracketed indicators before the first sentence of each item describe the way in which the material was processed by FBIS.
- Headlines and all bracketed explanatory notes are supplied by FBIS.
- Personal and place names are rendered in accordance with the decisions of the U.S. Board on Geographic Names as adapted by FBIS. Unverified names in radio and television material appear in parentheses and are spelled phonetically; words and phrases in parentheses preceded by a question mark are unclear in the original and deduced from context.

SUBSCRIPTION INFORMATION

U.S. Government Customers

For a list of FBIS products, to subscribe to an FBIS publication, or to indicate a change of address contact:

FBIS
P.O. Box 2604
Washington, DC 20013-2604
Telephone: (202) 338-6735
FAX: (703) 733-6042

Non-Government Customers

Subscriptions are available from the National Technical Information Service:

NTIS
5285 Port Royal Road
Springfield, VA 22161
Telephone: (703) 487-4630
FAX: (703) 321-8547

New subscribers should expect a 30-day delay in receipt of the first issue.